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U.S. Stance on Albania-Greece Situation Viewed

AU2706114094 Tirana POPULLI PO in Albanian 19 Jun 94 p 7

[Commentary by Jonila Godole: "The U.S. Is Keeping a Stepmother's Eye—Greece or Albania....?]

[Text] It is now some time since the situation in the Albanian-Greek relationship became a cause for concern. Many incidents, Albanians murdered while asleep or awake, beaten en masse, and so on, but...the problem that makes you forget many other things is the large number of our refugees that are living and working in Greece. Analysts underscore the fact that refugees, including a large number of Albanians, cost Greece tens of millions of U.S. dollars per year (this figure has been accurately extracted by a U.S. Commission for the Balkans.)

Nevertheless, the Greek-Albanian "line" is vacillating in such a way that makes you feel something new is going to happen, and if we bear in mind the declarations of certain Greek circles laying claim to Albanian lands, our fears and doubts about peace between our two countries grow. However, if we refer to foreign news reports, a certain position of sitting on the fence, or as our people put it, a "neither here, nor there" stance is to be observed, particularly on the part of the United States.

For example, in an article published the day before yesterday in "The Balkan News," the following parallel conclusions were drawn: Albania must be convinced that Greek aims do not include the annexation of North Epirus. In the same way, Greece must be convinced that it is not Albania's aim in itself to eject the Greek minority from its southern provinces. Further on, it is added that the influx of people from Northern Albania (the part of Kosovo) are aimed at changing the constitution of the population and the equilibrium in the region. In fact it sounds strange enough to declare, as the U.S. newspaper does, that Greece does not have such aims, at a time when events showing the opposite are taking us by surprise. Another thing that attracts our attention is the somewhat particular attitude regarding the two points: Greece and Kosovo.

So the United States alone must be the reliable power, capable of blaming both sides if necessary, provided the necessary practice of "good-neighborliness" is guaranteed.

Thus, the United States is helping us, or why not the Greeks, if you like....?

Commentary Views Appointment of U.S. Envoy

AU2706135894 Tirana POPULLI PO in Albanian 22 Jun 94 p 4

[Commentary by Agron T.: Happy Retirement, Mr. Ryerson! Welcome Mr. Lake!]

[Text] President Clinton's announcement about his intention to appoint Mr. Joseph Edward Lake as new U.S. ambassador to Albania arrived at a time when political analysts had already come across signs of change in the U.S. stance toward the Albanian opposition and particularly its largest force, the PS [Socialist Party]. Such signs were contacts established in our country by representatives of the Republican and National Democratic Institute, and several interviews, comments, and analyses of the "Voice of America," which, in stark contrast with the past, began mirroring our reality, with our political developments, the course of our government-opposition relations, and the State Department's report on the situation of human rights and political freedom of the opposition in Albania in 1993.

However, the basic arguments in support of this belief were the thaw, after a long winter, in relations between the U.S. Embassy in Tirana and the opposition parties, several meetings between its staffers and PS leaders, and Mr. Ryerson's presence at a news conference on the Nano affair. In fact, it was not the first time that Mr. Ryerson's presence or absence, and a number of other public activities in his capacity as U.S. ambassador, had become the topic of discussion and interpretation, ranging from truth to conjecture, from naivete to presumption.

None of the analysts or observers denied that his role in Albanian political developments over the last three years had been obvious, and this had been possible not only because he was the top diplomatic representative of the U.S. superstate, but also because of the intimacy that he created with certain circles. However, when it came to evaluate his influence, assessments varied to the extreme opposites. Though these factors only acted like yeast in giving shape to opinions, today, for certain purposes, they are decisive, reaching even to a point of vesting Mr. Ryerson's personality with powers that nobody could possibly possess alone, even in his important position, for the following reasons:

1. Whatever Mr. Ryerson's origins as a U.S. citizen, U.S. interests are sacred to him, since, as a U.S. Administration employee, he is legally obliged to defend them whereever they exist, and as an official in foreign service, he has the responsibility to maintain the system of meeting these interests when the system is working, or build one and put it into operation wherever it is lacking. After a gap of 45 years, Mr. Ryerson as the number one U.S. diplomat in Tirana, had the task of installing in Albania a system that could enable the implementation of U.S. policy toward or regarding our country. Within this framework, not only did his past undertakings in Albania become clearer, but it can also be explained why, in certain cases, he had to break with the usual conventions of his rank.

Today there is no need to speak of U.S. interests in eradicating communism, even in Albania. Nor is it worth repeating our politicians' conclusions, explaining

why the PDSH [Democratic Party] was the only Albanian political force that could accomplish such a task. Albeit transcending the limits of his diplomat's status, Mr. Ryerson's busy activities in the run-up to the parliamentary elections of 1992 in actual fact reflected the truth regarding trust toward such political forces that could simultaneously carry out the "eradication of communism," and pave the way for the furthering of U.S. policy in Albania. Thus, Mr. Ryerson "helped the PDSH to conquer Albania," while individuals or groupings within this party guaranteed the implementation of the U.S. strategy in our country. In a nutshell, the extremely natural functioning of the official scheme of Albanian-U.S. relations, to which Mr. Ryerson made his own contribution, is expressed in President Berisha's words: "The United States and the U.S. institutions and Government, directly or through their missions in Tirana, have been very close to us from the very first moments of the democratic movement, and have supported us unequivocally ever since." This is also expressed in the conclusions drawn by foreign analysts and observers, who, apart from branding Berisha's regime as pro-United States, also emphasize Albania's absolute dependence on Washington.

Along the same lines is Mr. Ryerson's participation in various rehabilitation ceremonies, particularly in reburials, or in activities to honor former pupils of the Harry Fultz Technical School, and so on. In essence it expresses also the U.S. commitment morally to reward various Albanian citizens not only for their anti-communist activities, but also for the services that they have previously rendered for the United States.

In Albanian Canon Law, without referring to history, the roles of Host and Guest are closely related to each other. The guest is greatly honoured and respected; he has pride of place in the house, but the host is responsible for every transgression or harm that the guest might commit while under the host's hospitality. Nevertheless, as masters of Albania until the next elections, the Albanian people have chosen those politicians to whom they gave their votes on 22 March 1992.

2. At a election meeting in March 1992, in the city of Korca, Mr. Ryerson is supposed to have said: "If the PD wins, all the Communists will be out of a job." If his actions and presence were the epicenter of analyses of the U.S. stance toward Albania's political forces, these words were used as a refrain by the majority of those who had certain reservations about Mr. Ryerson. If you analyze the words in detail, you find concentrated in them the dilemma between the man and the official, between duty and reason, and how it was properly solved. It is another thing that the Albanians swallowed this warning message only when the PDSH, after gaining an absolute majority of votes, approved Law 24/1, which sanctioned the newly commenced administrative reform.

It is not that "the great U.S. policy has understood its preposterous interference in Albanian politics", this shuffling of U.S. ambassadors in Albania follows the natural course of U.S. diplomatic procedures. The time that it was announced is yet another argument in favor of the analysts' views. Within the framework of U.S. pragmatism, it shows that the policy is actually at the stage of working out tactics in accordance with the constant strategic purposes. They are enriched with new elements, or new tactics are being prepared to effect the "metamorphosis of Albanian opinion on the United States," and to be adequately prepared for future developments inside or engulfing Albania from without. Every biographical study of the new ambassador to Albania would lead you to these same conclusions.

The news about Mr. Lake's appointment, who gained his doctorate at Texas Christian University, reached Albania (a member of the Conference of Islamic Countries, whose Christian population, catholic and orthodox, and their religious institutions enjoy a "special care" evinced by the churches of neighboring countries) at the same time as the U.S. media announced the establishment of the International Protestant Church as the newest international church, based in Tirana. The new ambassador will certainly be welcomed by his fellow countrymen, who for some time have been engaged in activities in Albania as representatives of various religious sects.

Who is Mr. Lake? Mr. Lake is a former director of the U.S. State Department's Operations Center, where he worked closely with the White House and other departments in the same year when the collapse of the communist system in Eastern Europe was projected and actually took place. He is a highly qualified specialist with a "successful career" and "great experience" in East Asia and the Pacific in general, and on China in particular. Mr. Lake is preparing to take up his position in Tirana at a time when analysts foresee that the left wing is likely to come to power, when they observe that China's interests in Albania have remained constant, and when our present decision-makers have by necessity already understood the philosophical importance of the saying "Make as many new friends as you like, but do not forget the old ones!" and are, albeit with certain reluctance, trying to act accordingly.

The former Number Two of the U.S. Embassy in Sofia is waiting for the Senate's approval to take up his new post in Albania, where, according to observers and politicians, a "Bulgarian scenario" is being implemented. At the same time analysts insist that the "Albania-Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]-Bulgaria corridor," as a "programmed policy," is part and parcel of the U.S. strategy in the Balkans. While waiting to settle himself on the western edge of this segment, Mr. Lake is learning Albanian, as he learned Chinese and Bulgarian.

Ambassadors come and go. Although acclaimed as the mastermind of their respective embassies, they are nothing more than tiny particles in the huge mechanism that sets in motion the open policies worked out in state

chancelleries. It is the Albanians themselves who have made Albania in the past and will make it in the future. With the help also of the United States, Europe and.... Enough of "enemies from East to West," but not to the point of, say, turning your back on Europe for the sake of the United States, or flying off toward the Islamic region, or overturning obsolete chests to obtain outdated schemes of ethnic-religious rows with neighbors, or brushing aside China.... In Western policy, the principle of "more relations, fewer problems" has gained the status of an axiom, and therefore Albania will survive only by giving everyone his due place.

Ambassadors come and go, and even if they speak Albanian, it is not their mother-tongue.

A happy old age and retirement, Mr. Ryerson! Welcome Mr. Lake! [previous sentence in English]

SDS Urges 'Joint Actions To Save Bulgaria'

AU2706114394 Sofia DEMOKRATSIYA in Bulgarian 22 Jun 94 p 1

[Appeal by the Union of Democratic Forces National Coordinating Council: "Blue Coalition Appeals for Joint Actions by All Democratic Organizations"; issued at meeting on 21 June]

[Text] After the people's vote of October 1991 was distorted and after the exhaustion of the possibilities of the parliamentary faction of the Union of Democratic Forces [SDS], which was forced to become an opposition force and which for 18 months has defended the positions of the SDS, the SDS no longer finds any reason for its parliamentary faction to participate in the work of this parliament. With its actions the parliamentary majority is destroying the notion of parliamentarianism, democracy, and constitutionalism, and alienates Bulgarian citizens from participating in political life.

The SDS warns of the danger of turning the Bulgarian parliament, controlled by the Bulgarian Socialist Party [BSP] and its satellites, into a machine for recommunizing the country and returning to the methods of the communist dictatorship which existed for 50 years.

The pro-communist government of irresponsibility has caused mass poverty, raging crime, and moral deterioration, and has brought Bulgaria to the brink of a catastrophe. Lyuben Berov's cabinet has displayed extremely unworthy political behavior, which has compromised the basic principles of democracy.

In this fateful situation the only solution for Bulgaria is in holding early parliamentary elections in the autumn of 1994. These elections will give a clear four-year mandate to a worthy political force, which will assume responsibility for stabilizing and reviving Bulgaria, which is in a grave economic and moral crisis.

The SDS refuses to participate in political haggling or in forming a new cabinet within the framework of this parliament.

The SDS calls upon all the other political forces and parliamentary factions who declared their readiness to support early parliamentary elections to declare their clear refusal to support Lyuben Berov's cabinet, and participate in or support forming a new cabinet.

The SDS will continue to boycott the parliamentary sessions until the moment the National Assembly demonstrates a clear willingness to call early elections in the autumn.

The SDS is prepared to face the voters and assume responsibility for saving the country.

We call upon all democratic forces that share the SDS's principles and policy documents to carry out joint actions to save Bulgaria.

Greeks Reportedly To Demand Closure of Kozloduy

AU2706202094 Sofia 24 CHASA in Bulgarian 22 Jun 94 p 1

["24 CHASA" staff report: "Athens Wants Kozloduy Nuclear Power Plant Closed Down"]

[Text] Greece will make an official demand for Bulgaria to shut down the Kozloduy Nuclear Power Plant. This will happen at an international conference that will seek the European Union's blessing for the initiative, according to a statement made yesterday by Kiriakos Domadzoglu [name as transliterated], a member of the conference's organizing committee.

The conference will be held from 29 June to 3 July in the town of Drama and will cost almost 9 million leva, at the exchange rate fixed by the Bulgarian National Bank. The sponsors include Siemens and Philips Greece.

The poster advertising the conference showed a boiler shaped like Bulgaria that belched out smoke, turning the sun into a black sphere.

The idea of holding the conference has reportedly received support from the Greek Ministry of National Economy, the Secretariat General of Makedonia-Thraki, and the councils of the eight largest towns in the province.

Ecological movements in Greece have reportedly asked that the European Union close down the Bulgarian nuclear plant. The conference will deliver an ultimatum to the cabinet in Athens to raise the matter with the Berov government.

"Kozloduy is a potential threat to the Balkans," Mr. Domadzoglu said, but admitted that he is not familiar with the official report of the International Atomic Energy Agency on Kozloduy, which is complimentary about the nuclear plant's condition.

However, the Greeks are reported to be in a state of stress over Kozloduy. At a meeting, a special group of Greek parliamentarians is reported to have invited Bulgarian Environment Minister Valentin Bosevski to support the conference. However, our ecologists protested against the title of the conference—"International Conference on Kozloduy," so there will be no official participants from Bulgaria.

Nevertheless, some Bulgarian scientists are said to have responded to the invitations, and they will present three papers in Drama. One of them, by Ivan Uzunov, a genetics professor, is entitled "No Prospects Exist in Bulgaria for Nuclear Energy Development."

"If Greece has rejected nuclear power plants," this does not entitle it to make us follow their example, said Nikita Shervashidze, chairman of the Committee on Power Supply. "In the long run, we will teach them what kind of olive trees to plant."

Agreements Signed With Albanian Prime Minister

LD2706124794 Prague Radiozurnal Radio Network in Czech 1200 GMT 27 Jun 94

[Text] Ivana Anyzova reports on today's talks between Czech Prime Minister Vaclav Klaus and Albanian Prime Minister Aleksander Meksi.

[Anyzova] The two prime ministers signed an agreement on trade and technical relations and one on the support and mutual protection of investments. They exchanged information about the situation in their countries, foreign policy initiatives, and bilateral relations. They expressed a wish to develop mutual contacts in science, culture, and tourism. They also agreed that the Czech side will grant Albania a long-term loan to purchase farming and food-processing equipment.

Although economic cooperation has receded over recent years, our side regards as advantageous the fact that Czech goods have been offered to Albanian agriculture and the food-processing industry.

Vaclav Klaus emphasized that such cooperation is a useful form of policy aimed at boosting exports.

Klaus on State Arrangement, Orientation, GDP

AU2806073694 Prague LIDOVE NOVINY in Czech 24 Jun 94 pp 1, 3

[Interview with Prime Minister Vaclav Klaus by Karel Kriz; place and date not given]

[Text] [Kriz] On 22 June, the government rejected [Deputy Prime Minister Jan] Kalvoda's draft constitutional law on forming 13 regions or lands. The resolution adopted recently by the Civic Democratic Party [ODS] Executive Council, which envisages that these higher territorial self-administrative units will evolve from the current districts, also seems to be rather unviable. What next?

[Klaus] The government has not rejected the proposal for 13 higher territorial units. It has had six alternative proposals in succession and, in essence, is not ruling out any of them. We will discuss this issue again on 29 June as the first point on the agenda regardless of what else is on it. This is a complicated matter, and it is a great shame that parliament has "put a lid on it" from above by setting a deadline [for its submission] before the end of June. There is thus a risk that we will choose a solution that we will perhaps regret in the long run. The basic proposition involves parceling out this country, a unitary state, into a certain number of regions. This is, in essence, an irreversible intrusion into the state body of the Czech Republic.

This is such a fundamental change that whoever trivializes it and accuses the government of hesitancy, whoever accuses this or that side of not wanting to resolve the issue, is doing this country a disservice. As a responsible person, I have to say that there is one fair conclusion: There is no obvious consensus in this country on this issue, not only in the government, but also throughout society. The issue involves whether, in such a situation, it would not be better to postpone the matter until this has been settled. It would be the greatest shame if, by coincidence, only one reason for creating these regions were to transpire among the coalition partners or the other political forces in parliament—that it would aggravate the ODS. That would be a terribly feeble reason, and, unfortunately, I have the feeling that, when all is said and done, this is the dominant reason at the moment. The rhetoric of this or that politician is different, however.

[Kriz] Some politicians are casting doubts on your foreign policy orientation toward the West...

[Klaus] This seems really extraordinarily amusing to me. These opinions are being expressed by some Civic Democratic Alliance [ODA] representatives who seek out every preposterous pretext so they can attack the ODS and me. The West has a completely different impression of our stances than the ODA Central Office.

[Kriz] You have described the 3.5-percent rise in the gross domestic product in the first quarter of this year as a "breakthrough." There have been a total of 13 quarters since the beginning of transformation, however. Of these together, growth was achieved in five of them, compared with the same quarter of the previous year. Growth of 3.8 percent was even achieved in the second quarter of last year. Growth was recorded in two successive quarters in the second half of 1992. So, this is nothing new. Therefore, did you use too strong an expression this time?

[Klaus] We envisaged then that the development in the second half of 1992 was the start of the growth tendencies. These were interrupted by the breakup of Czechoslovakia. This prevented 1993 from becoming the first year with plus signs. I think that the first quarter of 1994 is the beginning, a year later, of what was indicated in the second half of 1992. I admit that this trend need not be confirmed in the second quarter of this year, but there is undoubtedly a general growth tendency here.

Poll: Support for Firm Government Declining

AU2706195794 Prague RUDE PRAVO in Czech 22 Jun 94 p 3

[Article by "(dla)"]

[Text] Prague—Support for authoritarian methods of government in the Czech Republic has declined slightly. This is apparent from an opinion poll conducted by STEM [Center for Empirical Research] in June among 1,506 respondents over age 18.

While 61.3 percent of citizens expressed themselves in favor of such government in December 1991, this figure has now declined to 48.9 percent. Supporters of the firm

method are found more in the left wing (76 percent of the extreme left wing; 60 percent of the left-wing oriented) and the political center (51 percent) than in the right wing (42 percent). A firm government and a leader who would state clearly what has to be done are favored primarily by supporters of the Assembly for the Republic-Republican Party of Czechoslovakia [SPR-RSC], followed by supporters of the Communist Party of Bohemia and Moravia [KSCM], the Czech Social Democratic Party [CSSD], and the Christian Democratic Union-Czechoslovak People's Party [KDU-CSL]. KDU-CSL (61.9 percent), CSSD (61.1 percent), SPR-RSC (60.3 percent), and KSCM (52 percent) voters consider extensive executive powers for the president to be acceptable. Civic Democratic Alliance [ODA] voters are slightly more inclined toward a firm government (38.1 percent) and strong leader (36.9 percent) than Civic Democratic Party [ODS] voters (34.7 and 33.9 percent). ODA supporters also support a strong president (45.4 percent) slightly more than ODS supporters (43.3 percent).

Deputy Minister Outlines Army Development Plan

AU2706195894 Prague HOSPODARSKE NOVINY in Czech 22 Jun 94 p 3

[Article by "(joe)": "The Army Is Trying To Manage Itself Better"]

[Text] Prague—The development plan drafted by the Czech Republic Army (ACR), which the defense minister will submit to the government and parliament for their information, proposes that roughly 2.5 percent of the gross domestic product be earmarked for the state's defense needs. This statement was made at a press briefing held yesterday by Deputy Minister Miroslav Kalousek. He described the ACR's drawing on the budget this year as equable. The development plan should include stipulations concerning the human, material, and financial resources for the Army and its programs up to the year 2005 in accordance with the priorities of the defense strategy.

According to M. Kalousek, the ACR's acquisition plan for its modernization should be defined by mid-1995. At the same time, the Defense Ministry will give preference to negotiations with direct producers, and the final supplier should be a domestic company. Public competitions and tenders, with the exception of cases where the nature of the order makes this impossible, will be implemented as much as possible in making purchases and sales. To simplify the contractual relationship, the ministry will try—as, for example, it is doing at the moment in selecting a food supplier—to find a central guarantor who would, among other things, make it possible to resolve the problem of different regional prices. In this connection, Kalousek referred to the ministry's attempt to create the most clear-cut system possible in harmony with legal and ethical norms, a system that would eliminate the risk of influence being brought to bear on the choice of Army suppliers.

The new Planning, Programming, and Budgeting System (PPBS), which is operating in parallel with the system utilized to date, should make the Army's economic management considerably clearer. The ACR will transfer to double-entry bookkeeping in 1995.

In assessing the Army's transformation, Kalousek emphasized its quite reductive nature. For example, only five of the original 12 military airfields should remain in operation. The ACR intends to offer to interested parties, within the framework of stipulated contractual conditions, those reserve airfields whose operation is costly. Projects are now being drawn up for the airfields in Bechyne, Zatec, and Hradec Kralove and for combined operations in Pardubice. The Army is selling off or transferring to other entities its unserviceable facilities and hardware. The money saved by reducing the cost of maintaining the Army can be used for its modernization, said Kalousek.

Coalition Row Over Privatization Minister

AU2806100194

[Editorial Report] Slovak newspapers on 23 and 24 June publish reports on objections voiced by some coalition deputies against Milan Janicina, minister for the administration and privatization of national property, and reactions to calls for Janicina's resignation from his post.

Bratislava SME in Slovak on 23 June on page 2 carries a 600-word "asa"-signed report entitled "Deputies of the Coalition Party of the Democratic Left Want To Call on Milan Janicina To Resign." The report states: "Yesterday's meeting of the National Council of the Slovak Republic Privatization Committee dealt with the problem of whether Milan Janicina should be called upon to resign from the post of minister for the administration and privatization of national property. Members of this committee have received additional documentation pertaining to the 'House of Culture Atrium-Ruzinov' affair, in which Milan Janicina was involved as commercial lawyer and, according to some indications, placed [his client's] commercial interests above the interests of the state. Deputies for the Party of the Democratic Left [SDL] (Zselenak, Plesnik), the Movement for a Democratic Slovakia (Tomecek), and the Slovak National Party (Kona) proposed that the committee pass a resolution recommending that Milan Janicina resign from his post, in view of the 'strength of the arguments.' This course of action was opposed by deputies for the government coalition and the Hungarian coalition (Durana, Pollak, Pribula, Komlosy). They argued that, at the very least, one must wait for the ruling of the court, which is now dealing with the case, and ask the Bar Association for its standpoint. At the same time, they were pointing out that, if Milan Janicina committed any mistake, this happened long before he became minister." According to the report, the committee finally decided to suspend the debate on the minister's case until 28 June.

On the same day, on page 1, Bratislava SME in Slovak carries a 200-word interview with SDL Deputy Chairman Milan Ftacnik by Jana Pankovcinova entitled "Milan Ftacnik Does Not Rule Out That the Question of Replacing Minister Janicina Will Be Raised." In the interview, the place and date of which are not given, Ftacnik is asked to respond to rumors that "the Coalition Council has dealt with the person of Privatization Minister Milan Janicina" and that "the prevailing view is that he should be replaced in this post by SDL Deputy J. Plesnik." While Ftacnik concedes that privatization issues have been discussed by the Coalition Council, he asserts that "no coalition partner has officially raised the issue" of replacing Janicina. As Ftacnik adds, however, "I cannot rule out that this issue may still be raised."

Bratislava SME in Slovak on 24 June on pages 1 and 2 carries a 300-word "vec"-signed report entitled "Minister Janicina: Csino Is a Pretext; They Want To Recall Me Because I Refuse To Accommodate Bolshevik Managements." Responding to the calls of some members of the parliamentary privatization committee for his resignation, Janicina tells an unidentified SME correspondent: "Although committee members speak about the strength of arguments, in reality I do not know even one of their arguments." Janicina stresses that his only role in the "Atrium" affair was that of a commercial lawyer who gave legal assistance to his client, Mr. Viliam Csino, and helped him overrule the court's original verdict on the privatization of the "Atrium" building in Bratislava-Ruzinov. The minister wonders why he should be attacked for having been a "good defense council" and attributes the efforts to recall him to his "refusal to accommodate Bolshevik managements."

Bratislava PRAVDA in Slovak on 24 June on page 2 carries a 500-word TA SR report entitled "Milan Janicina Will Not Resign from His Post." The report notes that, at a meeting on 23 June, the Executive Committee of the National Democratic Party [NDS], of which Janicina is a member, expressed "support" for the minister and "deplored public attacks on him from a coalition partner." The NDS Executive Committee considers the attacks on Janicina "incompetent" and "contradicting the ethics of coalition cooperation," the report says. The PRAVDA report also quotes Minister Janicina as having told the TA SR that he will not resign. According to PRAVDA, in the interview for the TA SR, Janicina challenged the authority of the parliamentary privatization committee to judge the legal aspects of the privatization of the Atrium building and reiterated that he was not representing the interests of the state in the case but, rather, those of a private client: "If someone claims that I placed the commercial interest [of my client] above the interests of the state, he is either an idiot or he demagogically twists the truth," Janicina is quoted as having said.

The dispute between SDL members of the parliamentary privatization committee and Minister Janicina is also the subject of a 700-word Alica Strbava commentary entitled "Juraj Plesnik's Moral Mimicry," in Bratislava SME in Slovak on 24 June on page 4. In Strbava's opinion, the true cause of the dispute must be sought in the different privatization ideas of the SDL-controlled Ministry of Economy and the NDS-controlled Ministry of Privatization. Strbava says: "It is a public secret that the Union of Industry is very favorably disposed toward the SDL, as is evidenced by the appointment of Peter Magvasi, a member of the Union of Industry, to the post of minister of economy. However, the Union of Industry was also favorably disposed toward former Prime Minister Vladimir Meciar. According to information from behind the scenes, Meciar had promised to the Union's representatives—that is, to the directors of the most important Slovak industrial companies (the Union of Industry comprises some 450 companies)—10 to 12 percent of the companies' shares, allegedly under very favorable terms. The present privatization minister, Milan Janicina, does not even want to hear about the fulfillment of this promise, which, naturally, does not play into the hands of the SDL."

Replacement of Minister Denied

AU2806111894 Bratislava SME in Slovak 24 Jun 94 pp 1-2

[Interview with Prime Minister Jozef Moravcik by Jana Pankovcinova and Alica Strbava; place and date not given: "Will Party of the Democratic Left Deputy Juraj Plesnik Become Minister Milan Janicina's State Secretary?"]

[Text] [SME] Will your government hold out in its present form until the end of its electoral term?

[Moravcik] It should. I will do everything I can for it to hold out.

[SME] Party of the Democratic Left [SDL] deputies in the parliamentary privatization committee have called on Privatization Minister Milan Janicina to resign. Several coalition meetings have discussed this issue. Is the possible appointment of SDL Deputy Juraj Plesnik as second state secretary at the Ministry of Privatization not too big a compromise, from the viewpoint of the other coalition parties? Or is the coalition not confident enough with regard to privatization issues?

[Moravcik] We have not noticed any differences with regard to the privatization concept. There are certain differences in views on the privatization of specific companies, but we have always been successful in removing those differences. I am making use of my coordinating function in the government to achieve this. I consider the establishment of the post of a second state secretary at the Ministry of Privatization to be an effective solution that is in the interest of harmonization of views. Having two state secretaries in a government department that is of such importance and must cope with such an enormous work load as the Ministry of Privatization is nothing extraordinary.

[SME] Your claim of there being unanimity of views on the privatization concept could be contested. The SDL is supported by the Union of Industry, which is opposed to the privatization of state enterprises by means of coupon privatization. Former Prime Minister Vladimir Meciar had promised representatives of the Union of Industry that 10 to 12 percent of the companies' shares would be reserved for their managers, which Mr. Janicina does not accept. Besides, Mr. Plesnik said in the Privatization Committee that he could not accept Milan Janicina as minister, in view of the latter's past mistakes. Will conflicts not arise when Juraj Plesnik, as state secretary, has to subordinate himself to Minister Janicina?

[Moravcik] If he accepts the position, he will have to respect the minister. When I spoke about the privatization concept, I was thinking of its form as set out in the government's policy statement. No one has called this concept in question. As for other issues—that is, whether the management ought to have 5 or 10 percent of shares—that is a matter that can be assessed and does not contradict the privatization concept.

[SME] Could you clarify the course of the coalition talks about the possibility of appointing Juraj Plesnik as state secretary at the Ministry of Privatization?

[Moravcik] The Coalition Council has not discussed this issue.

[SME] Has it been discussed at the level of the coalition parties' chairmen?

[Moravcik] The party chairmen discussed the course of privatization in light of the government statement.

[SME] We asked about the assessment of personnel issues. What arguments were put forward at the level of party chairmen? Was the possibility of appointing Viliam Vaskovic, deputy chairman of your party [Democratic Union], as minister of privatization raised?

[Moravcik] So far we have not reached the conclusion that there is a need for a change in the post of minister of privatization. That is what matters.

[SME] But the SDL deputies took concerted action when raising objections to Milan Janicina in the Privatization Committee of the National Council of the Slovak Republic on 22 June....

[Moravcik] As far as personnel issues are concerned, there must be agreement from all coalition parties [before any appointments or dismissals are made].

[SME] In other words, there will be a compromise in that Juraj Plesnik will become state secretary and the rest of the coalition will not raise the issue of the minister of economy, of whom it is generally rumored that his screening certificate is not quite in order and who has not submitted to the public a negative screening certificate to dispel those rumors....

[Moravcik] I cannot act on the basis of general rumors. That would be against the law. The replacement of [Economy Minister] Mr. Magvasi is out of the question and has never been considered. We have no legal or other reason to establish a link between those matters.

[SME] Did you, at the meeting of chairmen of coalition parties, consider Mr. Vaskovic as a possible minister of privatization? Is our information correct?

[Moravcik] Because there is no consensus that any member of the government should be replaced, I cannot confirm this.

[SME] Has this name been mentioned as that of a possible candidate?

[Moravcik] I do not consider this relevant.

[SME] The opposition makes no secret of the fact that it will once again raise the issue of Minister Janicina and will try to have him recalled from his post. Do you believe that the SDL will unequivocally confirm his remaining in his post?

[Moravcik] You have to ask the SDL. I do not see any reason that this issue should be raised.

Pittner on 'Shadow Intelligence Service'

AU2706152594 Bratislava NARODNA OBRODA in Slovak 23 Jun 94 pp 1-2

[Interview with Interior Minister Ladislav Pittner by Julius Gembicky; place and date not given: "Is There a Shadow Intelligence Service?"]

[Text] Bratislava—Yesterday we published an interview with Jaroslav Svechota about the suspected existence of a parallel or shadow intelligence service, focusing on gathering information about representatives of the government coalition. We were proceeding from information provided by Ludovit Cernak, deputy chairman of the National Council of the Slovak Republic [NRSR], to SLOVENSKY VYCHOD. Yesterday we asked Mr. Cernak for his comment on the interview with Jaroslav Svechota.

[Cernak] I tend to stand behind what I say. That is also why I tend to formulate my statements carefully. At that time, I said in reply to a specific question: "You are on the right track." Today I can only add a few words to my reply: "Explore the matter further."

We also asked Interior Minister Pittner for his comment:

[Gembicky] Mr. Pittner, there are certain indications that an intelligence agency engaged in the gathering of material against representatives of the government coalition is active in Slovakia. Can you confirm or deny this suspicion?

[Pittner] Such activity is inadmissible under the law. But, because there exists a shadow cabinet, an adventurer could perhaps be found to set up such an agency. However, this is a matter to be dealt with by the Slovak Information Service [SIS] and not by the Ministry of the Interior.

[Gembicky] The most charming thing about the whole affair is that, according to these indications, Mr. XY, one of the leading SIS officials, is supposed to be a collaborator in this private agency. (We obviously gave his name to the minister, but we cannot publish it for the time being.) It is probably not very realistic to expect [SIS Director] Mr. Mitro's employee to disclose himself....

[Pittner] I repeat that supervision of SIS is not within the jurisdiction of the Ministry of the Interior. A special NRSR commission has been established for its supervision, which is chaired by Mr. Ivan Gasparovic.

[Gembicky] Would you consider it appropriate for us to turn to him with these suspicions?

[Pittner] Certainly.

[Gembicky] So yesterday we sent a fax to NRSR Chairman Ivan Gasparovic, who chairs the Special Supervisory Commission for SIS, asking him to reply to the question of whether the commission has availed itself of the information that one of the leading SIS officials is working for a private intelligence agency.

We will publish his reply as soon as we receive it.

We are thus taking seriously NRSR Deputy Chairman Ludovit Cernak's recommendation: "Explore the matter further."

Obstacles to Improved Ties With Hungary

AU2806091494 Bratislava PRAVDA in Slovak 21 Jun 94 p 12

[Article by Milan Kurucz, "expert on international relations at the Bratislava Institute of Strategic Studies": "Rationally and Without Emotions"]

[Text] It is no secret that the victory of the Hungarian Socialist Party (MSZP) and the Alliance of Free Democrats (SZDSZ) in the most recent parliamentary elections has raised no small expectations in neighboring countries, including Slovakia. The preelection declarations of the Hungarian Socialists and liberals, as well as their election programs, signaled a substantially different policy toward the surrounding countries, different from that of the Antall and Boross government, under the tutorship of the Hungarian Democratic Forum (MDF).

The Socialist and liberals, instead of making complicated maneuvers around the problem of the borders, as interpreted by the MDF, have sufficiently clearly formulated their standpoint rejecting any revision of the existing borders in Central Europe. The future coalition partners, both of them, have simultaneously distanced themselves from the so-called Antall doctrine, according to which the problem of the Hungarian minorities was more important than organizing and developing relations with the neighboring countries. Its implementation has reduced Hungary's interstate relations in Central Europe almost exclusively to the problem of minorities, which obviously complicated bilateral and multilateral contacts in the entire region.

Both the MSZP and the SZDSZ are building on the idea that the best way to support the Hungarian minorities abroad is to improve relations with the neighboring countries and thus create an atmosphere of mutual trust between them and Hungary. This would mean that a turnabout toward better relations may take place even in Slovak-Hungarian relations, including the signing of a basic treaty between the two countries.

However, it would be erroneous to expect that this will be a simple process without problems. On the contrary. We have to examine and evaluate attentively, rationally, and without unnecessary emotions all of the obstacles that the normalization of interstate relations between Slovakia and Hungary might encounter.

Even though it is possible to expect that the "proportionalization" of the Hungarian minorities problem (that is, reduce its inflated proportions compared with other goals), in addition to cleansing it of irredentist nostalgia,

will become one of the priorities of Hungarian foreign policy, it is more than likely that, in the understanding of this problem, there will be differences between Hungary on one side and Slovakia or Romania on the other.

The Socialists, who are most likely to take over the Foreign Ministry in the coalition government, have based their election program on the fact that the basic treaties with the neighboring states, as well as the principle of the inviolability of existing borders, should also contain mutual obligations regarding securing the ethnic minorities' rights in line with European standards and international documents on safeguarding the rights of ethnic minorities. Both the MSZP and the SZDSZ are building on the equality of individual and collective rights of minorities, which will certainly not meet with great understanding on the part of their future partners.

The search for mutually acceptable ways out and formulations regarding the problems of minorities' rights will be greatly complicated, above all, by the fact that both new government parties consider the right to autonomy to be a decisive part and parcel of collective rights. In their program, the Socialists have elaborated their autonomy concept in very minute detail. They consider several forms of autonomy, starting with cultural autonomy and ending with territorial autonomy, while the process of its establishment is understood as a process that should go through several stages. Most essential is the fact, however, that both the Socialists and liberal democrats have pledged to push for the demand of autonomy for Hungarian minorities as for right corresponding to European standards.

Even today it has become obvious that this will be one of the most complicated points in future talks between the new Hungarian Government and its Central European partners because their negative stance on autonomy (above all, territorial autonomy) is generally known.

The new Hungarian Government, when discussing basic treaties with Slovakia and other neighbors, will also have to count on a very cautious attitude of most West European countries and European international organizations toward the problem of the collective rights of minorities. Their definition is contained neither in the Vienna Declaration of the Council of Europe nor in the document from the Stability Pact initial conference, which was also signed by Hungary. The negotiating position of Hungary will not be so easy.

MSZP and SZDSZ representatives have several times expressed their willingness to engage in a constructive dialogue with Hungary's neighbors. Today, the first signs of a positive change taking place in the atmosphere of Slovak-Hungarian relations have begun to appear. This is an important prerequisite for searching for a mutually acceptable compromise in such a complicated problem as minorities and securing their rights. However, the way to this compromise will certainly be neither easy nor short.

MOS Conditions for Ethnic Coalition Noted

AU2706131494 Bratislava SME in Slovak 24 Jun 94 p 3

[Article by "dos": "Hungarian Civic Party's Conditions for a Coalition"]

[Text] Bratislava—L. Nagy, chairman of the Hungarian Civic Party [MOS], yesterday made public MOS's conditions for entering into a three-member [ethnic Hungarian] coalition with the Hungarian Christian Democratic Movement [MKDH] and Coexistence. They include, first and foremost, a general screening of candidates in accordance with the screening law, the candidates' sworn statement that they will not have any other income besides their deputies' salaries, a joint electoral manifesto, the Hungarian deputies' unanimous voting on all important issues pertaining to the minorities, the publication of concluded agreements, and the banning of campaigning against the other coalition members. According to Nagy, during the negotiations, MOS will demand, as a starting point, a 25-percent share on the common slate of candidates, which would correspond to the outcome of the last parliamentary elections. As MOS spokesman K. Petocz went on to say, MOS tried to initiate talks on a three-member coalition as early as February so as not to be pressed for time. This has now happened, according to Nagy, despite the fact that MOS's ideas about a coalition are not too different from the ideas of the MKDH and Coexistence. Nagy has detected a certain shift in the Coexistence movement because the latest statement by its Executive Committee no longer contains the toughest conditions originally laid down by Coexistence for talks with MOS.

HZDS Sets Out Possible Coalition Partners

LD2506213094 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 25 Jun 94

[Excerpts] The Republican Council of the Movement for a Democratic Slovakia [HZDS] held a session at Stara Lesna in the High Tatras today. It discussed the current political situation, preparation for the parliamentary elections, and coalition cooperation. Our correspondent Pavol Sveton is on the line to report from there:

[Sveton] [passage omitted] HZDS Deputy Chairman Sergej Kozlik said that the HZDS was at present stronger than in 1992. Following an agreement with the Farmers Party of Slovakia [Rolnicka Strana Slovenska—RSS] on election coalition cooperation, the HZDS also counts on cooperation with the Slovak National Party [SNS], provided it passes the election threshold, as well as with the KDH [Christian Democratic Movement] and the Party of the Democratic Left [SDL]. The HZDS is open to the option of cooperating with the Association of the Workers of Slovakia [Zdruzenie Robotnikov Slovenska], the Forum of Workers [Forum Robotnikov], the Christian Social Union [KSU], and with civic associations and interest groups in districts—such as the Union of Antifascist Fighters. The HZDS also considers possible cooperation with the New Slovakia movement.

At a news conference today, it was said that an election program was currently being drafted. It should be ready in three weeks' time and be capable of addressing every single citizen and individual region of Slovakia. [passage omitted]

Conflict Between HZDS, President Analyzed

94CH0294B Bratislava SLOBODNY PIATOK in Slovak 27 May 94 p 4

[Commentary by Jan Fuele: "Will There Be a Referendum on the President?"]

[Text] There are indications that, during the preelection period, the Movement for a Democratic Slovakia [HZDS] will attempt to organize also a referendum on curtailing the term of office of the president of the Republic. This cold calculation is, from the standpoint of the the HZDS, actually understandable. Relations between the top people in the HZDS and Michal Kovac are already such that, after the early parliamentary elections, any kind of effective cooperation could hardly be expected. Because the HZDS is firmly convinced that it will win, it wants the president of the Republic to be someone with whom it can manage to cooperate.

If we ostensibly digress from this topic, we find that the HZDS has similar relations with almost all political entities. The only exception is the Slovak National Party [SNS]. However, this party has only minimal prospects of gaining seats in the parliament. Then there is also part of the Greens, the small Farmers' Party, and maybe the KSU [Christian Social Union]. The HZDS has already had so many conflicts with the others that calculating on a possible coalition would at the same time require calculating on amnesia. If the HZDS is now publishing advertisements in PRAVDA, it does so only in an effort to turn the opinion of Party of the Democratic Left [SDL] adherents away from the opinion of the party leadership, which is unequivocally against a postelection coalition.

The motivation of the current HZDS politics no longer is to create a new political reality, but only to adjust to existing reality, which is mostly its own doing. The HZDS, whether it wants to or not, must go against all, and, at the same time, its only chance is that those who want to go together against it will splinter.

This game was joined by even the president of the Republic. He knows that the coming elections, even if they are not combined with a referendum on curtailing his term in office, will determine whether he stays or does not continue in office. For that reason, as well, it can be expected that Michal Kovac will become an active participant in the election campaign. For, whether he admits it to himself or whether somebody else says it, he cannot de jure dissolve the parliament in a time of crisis. However, his authority to give a report on the state of the Slovak Republic de facto was sufficient to call early elections. So that even in those moments when the president comports himself in an above-party manner, he can, by leaning toward certain values that should apply among decent people, influence in many ways the voters' decisions. Vladimir Meciar, by attacking the president, robs himself voluntarily of one psychological advantage—the Slovak voter intuitively leans toward those who are being wronged. Thus far, it was Meciar who acted that part; now he is beginning to share it to someone else's benefit.

No matter how paradoxical it is, the HZDS finds itself in a worse situation than Michal Kovac. For the HZDS, this is a matter of going for broke. If it makes an attempt to call a referendum, there is still time, but this time it will not have at its disposal administrative offices: after all, signatures were being collected even there. It would be more difficult to collect a sufficient number of real signatures, and the only thing that could help would be to further stir up the political atmosphere. Besides that, among HZDS followers, there are still not a few of those, whom even after his conflicts with the movement still trust the president of the Republic. If in the elections they had to vote in favor of the HZDS and, at the same time, with their other vote make a decision on the curtailing of the president's term in office, they would be in an unenviable situation. And as a result, the HZDS could find itself in an unenviable situation as well. The effect created by the referendum on the president could have negative consequences on the number of votes gained.

During the past week, we were able to read in PRAVDA that the HZDS is advertising for applications to "fill top government jobs in the administration of the Slovak Republic." Even though this is a remarkable head-start, signaling future changes (to speak about purges ahead of time is not proper), maybe the HZDS in its foresight should advertise for an appropriate president of the Republic and for politicians willing to work with the movement. It appears to be the last opportunity to "make" friends. So far, the HZDS has had more skill in "splintering" them.

Commentator Notes Change in Meciar's Tactics

94CH0294A Bratislava SLOBODNY PIATOK in Slovak 27 May 94 p 8

[Commentary by Stefan Sugar: "The Unknown Face of Vladimir Meciar"]

[Text] The man who on Friday morning shortly before 1000 entered the premises of Radio Twist on Salviova Street was undoubtedly the chairman of the Movement for a Democratic Slovakia [HZDS], Vladimir Meciar. But he bore no resemblance to the politician who, at gatherings in the Park of Culture and Recreation or in the television program "Kroky" [Steps], shocks spectators with angry revelations about his political sympathizers from the Movement or the coalition. This Meciar, who is visibly thinner, is a sympathetic, direct man with a cordial smile on his face, who appears to me to be diffident rather than aggressive.

Before the leader of the opposition enters the soundproof booth of the broadcasting studio of Radio Twist to answer listeners' questions in an hour-long roundtable, Lubos Machaj, program director, greets him and points out the modest premises of this modest radio station. Then he gives him the pleasant news about the relative strength of listeners who support his politics and those who condemn it: it is 50-50. That was indicated by the questions phoned in to Radio Twist by 70 listeners a day before the broadcast. I looked at Meciar, who received this information with modest satisfaction.

Even before the HZDS chairman accepted the invitation of the radio station, we asked him several questions in order to take advantage of the situation and not have to talk to him by phone. We were interested to know how much truth there is to the rumors about the security measures in the HZDS building on Tomasikova Street. The shadow prime minister does not deny anything but acknowledges only that they accepted four members of the security guard. The bullet-proof glass in the windows of his office he consigns to the realm of disinformation games. In the brief interview, we also touched on the question of tapping politicians' telephone conversations, which Ludovit Cermak complained about at the meeting of the National Council.

"Let them listen in on me all they want," Vladimir Meciar declared. "It does not bother me at all. When you have a politician who tells everything on radio or television anyway, it is really a waste of time." But he nevertheless admits that, in the past, during the totalitarian regime, security did tap his phone. But because he knew that a recording on tape lasts only 45 minutes, he saved the important matters for after this time elapsed. (Editor's comment: This is obviously a misunderstanding because we know that State Security used the so-called endless tapes for tapping phones, which eliminated the possibility of missing some of the conversation.) However, the interview, which Radio Twist broadcast, could be taped by anyone. And certainly his political opponents taped and listened to it in order to find out what he learned from his political defeat and whether he chose another tactic. It seems to me that he did. Not only from what he said, but rather from what he did not say. He was not confrontational, he did not thunder at his political opponents, he did not threaten with his planned steps, and did not accuse his former sympathizers of betrayal. He answered questions, even the most stupid ones, calmly, mildly, and to the point. He conceded that the HZDS leadership made a critical analyzis of the causes of what happened and came to the conclusion that the fault was not in the people but in the system, so that, in a year or two, this could happen again.

Vladimir Meciar realizes that people were already tired of the constant political tension, permanent crisis, and a series of scandals, and that they welcomed the relative calm that filled the Slovak political scene after the change of the government. He himself embraced nonconfrontational politics, obviously also in order to win over citizens frightened by his methods. As he said, "we want to address not only our sympathizers, but also those who do not understand us. At this time, we are drafting, with a large team of experts, a program for the future development of Slovakia. We want to present it to the voters for evaluation, and, if they like it, let them vote for HZDS; if not, let them choose another alternative. But we want to win over voters with our program, not by asserting that we are good and the others are bad."

In the radio roundtable, Meciar had to listen not only to questions from those who applaud him in the Park of Culture and Recreation, but also from those who are horrified by the possibility of his return to the political arena. After all, Meciar recently declared that his first step will be to remove President Michal Kovac from office. He moderated his tone, he controls himself well, and he shows much more willingness to meet others halfway, but obviously he will not forgive his political opponents anything. It was clear mainly from what he said about the election law that is being drafted:

"Moravcik's present party, which sits in the parliament without the benefit of elections, is not legitimately in the parliament and should collect 10,000 signatures. They are now thinking about how to repeal this part of the election law, so that they would not have to meet this obligation. But that would create a situation where every family could establish its own party and run in the elections."

We can accept this statement, to be sure, only with a big dose of benevolence, as a kind of poetic license, because, to establish a political party, you also need 10,000 signatures. More fundamental will be whether Vladimir Meciar will succeed in acquiring a new image of a more tolerant politician, one who respects the rules of democratic politics and who will not ruthlessly pursue his vision of political power. If he also wants to convince the voters from other political parties of this, he must first distance himself from the militant groups of his followers, as he did in this interview, when he reacted to the statement of one participant in the meeting: Better a civil war than Michal Kovac as president.

"There can be an agent provocateur in every crowd," said Meciar, "but that does not mean that this agent provocateur is my follower. My followers were, and are, civil people." If Vladimir Meciar succeeds in convincing our entire nation of this, it will be his greatest victory.

Industrial Output, Investments, GDP Drop

AU2406140494 Bratislava SME in Slovak 21 Jun 94 p 3

[CTK report: "Investments in Economy Drop to Only 40 Percent of Their Level in Fourth-Quarter 1993"]

[Text] Bratislava—The volume of industrial production dropped 0.5 percent in April, compared with the same month a year ago, and construction output dropped 18.6 percent. A 20.6-percent drop in freight volume was

recorded in transportation. This transpires from Slovak Statistical Office data that were made available to CTK yesterday.

Compared with April 1993, retail sales increased 0.3 percent in current prices, but the physical volume of sales decreased 12.3 percent.

Production in the month of April, compared with March, decreased 12 percent in industry but increased 1 percent in construction. The volume of goods in freight transportation decreased 4.1 percent. Retail sales were 8 percent lower than in March, while the physical volume of sales decreased 8.4 percent.

The number of employees in industry declined 0.8 percent in April, compared with March. In private companies, including cooperatives, it increased 35.6 percent.

The average nominal monthly wages in industry amounted to 6,063 Slovak korunas [Sk] and were Sk228 lower than in March. In construction, they amounted to Sk5,824 (- Sk95) and in retailing to Sk4,731 (+ Sk17).

The final consumption of households in current prices reached Sk54.7 billion in the first quarter, and the monthly wages averaged Sk5,581.

Investments in the Slovak economy reached Sk16.4 billion in 1993 prices, which is only 40.1 percent of their level in the preceding quarter.

[Prague HOSPODARSKE NOVINY in Czech on 21 June on page 4, under the headline "First-Quarter Results," carries a 300-word CTK report on the above Slovak Statistical Office release. It includes the following additional passage: "Gross domestic product [GDP] in actual [stalych] prices amounted to Sk43.1 billion in the Slovak Republic in the first quarter of the year. According to Slovak Statistical Office data that was published yesterday, the GDP in current prices exceeded Sk90 billion. In the same period a year ago, the GDP in actual prices was Sk44 billion and in current prices Sk72.1 billion."]

Moravcik Sees Slight Improvement in Economy

AU2406182994 Prague HOSPODARSKE NOVINY in Czech 21 Jun 94 p 4

[Article by Miroslav Prchal: "Signs of Slight Improvement Have Become Visible in the Slovak Republic's Economy"]

[Text] Slovak Prime Minister Jozef Moravcik has told HOSPODARSKE NOVINY that signs of slight improvement in the economy have appeared in Slovakia in the past few months, particularly in the chemical and rubber industries.

When asked what merit his government, which assumed office about three months ago, deserves for this, the prime minister said that he would not quantify it. "For us, it is important to strengthen even more the positive elements that are beginning to appear in the economy, and thus to improve the stability of our economic development as rapidly as possible. We have the prerequisites for this. We have made a firm decision to keep the state budget deficit and inflation at a certain acceptable level and to deal with unemployment with our development programs, particularly in those regions where unemployment is highest," he said.

Asked in which areas his government wants to support the positive elements of economic development, the prime minister said that it would release additional funds from extra budgetary sources, particularly from the proceeds of privatization, to support, above all, construction activity, the completion of the comprehensive housing construction work, and small and medium-size enterprises, which are to become the engine of the Slovak economy, and also the construction of roads and other communication links and certain railroads.

He said that the goal this year is to bring to a complete halt the decline in gross domestic product, cut inflation to 13 percent (from 23.1 percent last year), and to keep the budget deficit at 14 billion Slovak korunas. "We intend to continue our tight fiscal policy," he stressed.

"Apart from some positive statistical data, we have the slightly negative signal that the volume of investment in the Slovak Republic has declined," he added and drew attention to the fact that Slovakia provides a number of comparative advantages for foreign investors—for instance, comparable qualified labor is 40 percent cheaper than in Poland, 25 percent cheaper than in Hungary, and 10 percent cheaper than in the Czech Republic.

As regards the volume of investment in Slovakia, the Czech Republic is third, with its volume of 13 percent after Austria (23 percent) and Germany (21 percent). Jozef Moravcik commented: "I believe that this could be better, but this is a matter, above all, for Czech investors to consider."

Regarding the report that the IMF is to provide a stabilization loan in July and to the question of whether this decision will also have political significance for his government in the preelection period, Moravcik said: "Above all, I attach economic importance to this credit. Its importance lies in the fact that Slovakia has been positively evaluated by this renowned financial institution and thereby has acquired better and more advantageous conditions in dealing with other financial institutions."

Horn Outlines Government Plans

AU2706183594 Budapest MAGYAR HIRLAP in Hungarian 27 Jun 94 p 5

[Interview with Gyula Horn, chairman of the Hungarian Socialist Party, by Pal Szombathy; place and date not given]

[Text] I w. by no means be partner to government measures that would unilaterally damage the situation of society's decisive majority, Gyula Horn, chairman of the Hungarian Socialist Party [MSZP], told MAGYAR HIRLAP. The prime minister-designate said that equally serious problems are waiting to be solved in all ministries.

[Szombathy] After the signing of the coalition agreement between the MSZP and the Alliance of Free Democrats [SZDSZ], you said that you were expecting a congress of clarifying debates on 26 June. Were you surprised that there were hardly any objections and the coalition agreement was ratified with an overwhelming majority?

[Horn] There must be a misunderstanding here because the ratification of the coalition agreement was the chief goal of this congress. We made this clear at the very beginning, indicating that it is impossible to change the text of the agreement, that it can only be rejected or accepted. Naturally, debates on accepting the text and on the document must not be banned at a congress; in fact, it is actually positive to give ground to this since this is a democratic and highest level party forum. Many contributors expressed doubts but the skeptical people also supported the agreement. The debates had taken place prior to this because the coalition agreement was a result of a very serious teamwork in the background, it was not prepared by two or three people. In February, we were given authorization to assert the party's program in the talks.

[Szombathy] Previously, it was said that, as opposed to the SZDSZ delegation's mandate, the MSZP's leadership would also have to have the list of political state secretaries approved by the congress.

[Horn] This remark is justified but I asked the congress to grant me some time to select the political state secretaries. The coordination talks are under way, therefore, the congress gave authorization, so I will submit the list of political state secretarial names to the national board of directors. The postponement has simple reasons: It was decided at the last minute which party will provide the ministers and state secretaries in the various ministries, and personnel issues were decided at the last minute. These issues cannot be ignored when the political state secretaries are selected. I would like the Socialist ministers themselves to decide whom they wish as MSZP-member state secretaries and with whom they would prefer to work together.

[Szombathy] On 26 June, MSZP members to fill the positions in parliamentary committees were also selected. Why did Matyas Szuros, former Socialist chairman of the parliament, not get any positions in any of the committees?

[Horn] The nominating committee drew up the list of names of committee officers and members. In the course of this, Szuros was not nominated for any of the positions. It would be good if Szuros could, for example, think about representing or leading the Hungarian section of the Interparliamentary Union, but this will be his decision.

[Szombathy] It might have been noticed that Janos Hajdu, whose running in the elections created a big stir, was not given a position either.

[Horn] I cannot determine this because I was not part of the nominating committee. I do not know if his name was raised at all.

[Szombathy] You have indicated that the new government might still have surprises when the country's economic situation is examined. If this is so, is it possible that the government's room for maneuver will become narrower, and can operational problems arise? Will unpopular measures be inevitable?

[Horn] They cannot influence the government's operation—I did not mean these kinds of surprises—only its room for maneuver. I could not by any means accept measures that reduce our popularity because, however bad the country's situation is, it is not so catastrophic that the only solution would be unpopular measures. There is a way out, a possibility to solve the problems but only through emphasizing social sensitivity. I will not by any means be a partner to any such measures that would unilaterally damage the situation of the society's decisive majority. On the basis of what I have learned so far, we will not take such measures. One factor has to be taken into consideration: The situation of citizens and their equality of opportunity will not improve to the extent they would expect. If they have faith in the new government then the tasks can be resolved step by step. People can be certain that their situation, living conditions, and sense of security will significantly improve within four years. Achieving this would indicate the government's successful operation.

[Szombathy] As a result of the coalition agreement, the MSZP received a large number of ministries that control critical areas and are interested in distribution. In your position as prime minister, at which ministries and between which ministries do you expect the biggest debates or crises?

[Horn] I do not think that I could name any ministries that do not have difficulties at the moment, be it defense, industry, or the environmental ministry. The problems are big and the demands are huge everywhere. The expert public has great expectations and it is difficult to meet these. All ministries have serious problems awaiting urgent measures. The level of these difficulties is the same in all areas and ministries.

Peto on Coaliton Talks, MSZP 'Concessions'

AU2706183494 Budapest NEPSZAVA in Hungarian 25 Jun 94 pp 1,3

[Interview with Ivan Peto, chairman of the Alliance of Free Democrats, by Anna Dano; place and date not given]

[Text] According to Ivan Peto, chairman of the Alliance of Free Democrats [SZDSZ], the coalition agreement gives equal responsibility to both parties. Peto believes that his party's convention will accept the agreement made with the Socialists, and an expert government will be set up in the wake of this.

[Dano] At the parliamentary group's meeting held during the coalition talks, the deputies advocated a bigger participation in economic issues. Has the SZDSZ acquired adequate guarantees and positions to implement its economic program?

[Peto] Many people had the misconception that the ministerial positions count. However, it is the guarantee system that ensures the implementation of our program.

[Dano] The Hungarian Socialist Party [MSZP] has granted a number of spectacular concessions (the right of coordination, the role of counties in the local governments). Does this carry the danger that the SZDSZ would have the greater responsibility for the coalition's operational problems or possible dissolution?

[Peto] Joint governing carries joint responsibility. This cannot only have consequences for one of the parties.

[Dano] You had to yield with regard to the secret services, the Justice Ministry, and the position of chairman of parliament, although you had professional people for these positions. Does this cause personal conflicts within the party?

[Peto] I am sure that some people will feel that they should have been given a bigger role but we have to start from the position that the results of parliamentary elections have to be taken into consideration even at the coalition talks. We cannot ensure the desired position for all SZDSZ politicians who are actually suitable to fill these positions, even if we believe that they would be the best people suited to the given tasks.

[Dano] According to the program, many dozens of laws would have to be amended or new ones would have to be drawn up immediately (the laws in connection with the local government elections, agrarian law). What kind of parliamentary session do you propose for the summer?

[Peto] An approximately one-month long extraordinary session should be held.

[Dano] You have only just agreed on the most important issues. Legislative preparations will only begin after this. How will this result in draft laws in a few weeks?

[Peto] It would not be fortunate for the caretaker government to submit the draft laws. This is a technical problem and we have not yet decided how to overcome it.

[Dano] In the new government, we can again meet the second and third line of the Nemeth government, and we also have a former secretary of the National Council of Trade Unions, and a former member of the Hungarian Socialist Workers' Party Central Committee and Political Committee. What are your views on this situation?

[Peto] I am not familiar with the new government list. However, it was not our goal to restore the former Nemeth government. On this basis, we could also say that if someone was not good enough for the Nemeth government then how can he now be part of the Horn government? I do not think that this is a fortunate approach.

[Dano] In your view, are we going to have an expert government as was previously promised?

[Peto] Certainly. Although the cabinet might receive criticisms, in my view, the government will be of good quality.

[Dano] Have you selected the SZDSZ's state secretaries?

[Peto] We have selected some of them. I cannot yet speak about this.

[Dano] What kind of convention are you expecting?

[Peto] I am expecting an unbiased convention, similar to the one we had two weeks ago. The deputies will realistically assess the results and will accept the agreement.

[Dano] When can we expect the first party meeting that will assess the government's work?

[Peto] We will have an ordinary convention in the autumn.

Horn, Peto on Corruption, Coalition

LD2406210594 Budapest Kossuth Radio Network in Hungarian 1630 GMT 24 Jun 94

[Studio interview with Gyula Horn, prime minister-designate and chairman of the Hungarian Socialist Party, and Ivan Peto, chairman of the Alliance of Free Democrats, by correspondent Evelyn Forro; from the "Extra" program—live]

[Excerpts] [Forro] [passage omitted] A lot of things are being talked about—no doubt you also heard—first and foremost about the coming and going of the monies of foundations. It is being said that the corruption revealed to date is only the tip of the iceberg. Will you be launching any kind of investigation?

[Horn] People are talking a lot about this, and it is not certain that all of it is true. But it is true that there is a huge amount of corrupt deals, or suspected corruption.

Just take a look at the press. Not a day passes without a report about some kind of scandal or a report about suspected corrupt deals. The MSZP [Hungarian Socialist Party] has committed itself to reexamining the privatization decisions made during the period between 1 April and the formation of the new government. The coalition agreement also contains things relating to this. There is the exact text, here is the exact text relating to this.

What I would like to stipulate is this: We do not have any intention of initiating any kind of calling to account vis-a-vis the present administration or government officials. But when there is a well-founded suspicion, a report, or anything else of that kind, in other words, if it becomes necessary for us to investigate, or to order the investigation of some kind of suspected corruption or illegal deal, then I do not think that the government, or the organs belonging to the government, will for a single minute hesitate to investigate it.

These things have to be investigated. If need be, in given cases, ad hoc investigating committees will have to be set up. This is demanded not only by a sense of justice, but also because there is a need once and for all to create order. A government that does not declare war on corruption, on abuses, is not a government. [passage omitted]

[Forro] There has been a huge amount of speculation about where changes will take place. [passage omitted] When will you decide about these, and what kind of changes have you in mind?

[Horn] Excuse me, let us take them in order.

[Forro] The Hungarian National Bank [MNB].

[Horn] Yes. Here we will consider necessary a change at the head of the MNB.

[Forro] Incidentally, let me ask if you have already had discussions with people, have requests been made, or has the person already been found?

[Horn] Yes, we have held discussions, we have held discussions, yes, we do have our nominee for this office.

[Forro] Can this be made public yet?

[Horn] It still has to be coordinated, but for the time being I do not want—I would not like....[sentence incomplete as heard]

[Forro] All right, then all I will ask is has there been agreement on the nominee?

[Peto] Coordination will occur in every important personnel issue. At the MNB, as is known, there is a legal problem, if you like: The mandate of the present chairman of the MNB is no longer the mandate of the government that appointed him. It is also known that earlier he was a party politician. According to some opinions—I would now hasten to distance myself from this opinion—but there are opinions to the effect that if a politician becomes the chairman of a bank, then in accordance with the rules of political etiquette, if there is a change of government then it would be seemly for him to resign.

[Forro] MNB Chairman Peter Akos Bod has said he will not resign.

[Peto] Obviously, I also heard that was what he said. [passage omitted]

[Forro] Institutions responsible for privatization?

[Horn] At any rate, our opinion is that the privatization institutions have to be amalgamated because the present situation cannot be maintained. What is more, if possible it should be done on the basis of the Assets Handling joint-stock company. As for how and in what way its form will be resolved, that is the experts job. [passage omitted]

[Forro] Peter Boross has already announced that he will shortly be dismissing—or that he will be proposing the dismissal of—Laszlo Csucs and Gabor Nahlik. Have you talked about who are going to be the new leaders of radio and television?

[Horn] Consultations were held about this between experts, and also between Ivan Peto and myself. Several candidates came into question. As far as my opinion is concerned—because it is possible that consultations will continue about this in the coming weeks—well, the prime minister has announced that he is dismissing the two deputy chairmen. I will add that after this steps must be taken also in the matter of the dismissal of Elemer Hankiss and Csaba Gombar. This falls within the competence and sphere of authority of the president of the Republic. What we would like is that afterward, during the present extraordinary term, the committee hearings and appointment of the leaders of the two media should take place. Naturally, in coordination, in agreement between the two parties, with regard to the people. [passage omitted]

I consider the following extremely important: The first thing is that this coaltion will at all events like to give greater weight and support to those areas—apart from the social welfare areas—which are of fundamental importance from the viewpoint of the country's situation, the population's situation, such as culture, education, public education, in strategic taskss, sport, and other areas. Here obviously, as Ivan Peto also said, the financial resources could mean very harsh restrictions. But at all events the situation has to be improved. There is a possibility that we can lead and maintain the differences of views in appropriate channels. By this I mean that our intention from the outset has been—and the coalition partners agreed on this—that the realization of the most important tasks designated by the government will be entrusted to the economic cabinet. So, we want to give the economic cabinet a much more important role than it has played up to now. The economic cabinet will have to decide on these issues, and

if that does not succeed, then there will be further government forums where coordination can take place on these issues.

What pains me is that the country's financial opportunities are fairly narrow. Just one other thing—I am sorry, forgive me for going on—I would just like to add one more thing: I consider it extremely important, extraordinarily important, that sometime in the autumn, let us say in September or October at the latest, there should be concluded an economic-social agreement in which the participants will be the government, the employers, and the interest representation organs of employees. In other words, a kind of economic-social pact that will guarantee self-moderation and at the same time the realization, the fulfillment of demands that are considered just and fulfillable. This is a key issue from the viewpoint of the coming period.

[Forro] [passage omitted] What sort of relationship will the prime minister and the Foreign Ministry have? What I am thinking is that former Prime Minister Jozsef Antall practically directed foreign affairs himself.

[Horn] I do not expect any kind of conflict. The Foreign Ministry must be given the opportunity for independence. We also agreed that in the case of such a small country, a decisive task of the Foreign Ministry is to promote the solution of economic and social problems. So, in foreign affairs activity we ascribe very great importance to economic diplomacy. It is not with macroeconomics that we have to deal—beyond the necessary limits—but above all with helping the country to be able to step onto the path of modernization as soon as possible.

[Forro] Who will make up the team that will work directly alongside the prime minister. Can we have the names?

[Horn] I have asked Elemer Kiss to lead the Prime Minister's Office; he has experience in this area, he has already carried out excellent work. [passage omitted] There is one more thing that I consider very important, and that is that we should be thrifty with numbers. This will have to be a cheaper government and this applies equally to the ministries and the Prime Minister's Office. [passage omitted]

Goncz Comments on Coalition Negotiations

LD2706114294 Budapest Kossuth Radio Network in Hungarian 1000 GMT 27 Jun 94

[Text] President Arpad Goncz has evaluated the results of the coalition negotiations. We connect you with correspondent Laszlo Gardai at the parliament building:

[Gardai]] I am glad that the two parties could agree on the programs: In the future, good cooperation will depend on goodwill, dialogue, and teamwork, the president said. He expressed his hope that disputes can be resolved later, just as they can now. The two sides' flexible attitude is promising for the future, he said. The coalition cannot be avoided, and the result of the elections was not surprising for me, Arpad Goncz said, though the Hungarian Socialist Party's very large victory made the assumption that a social-liberal government was to be formed a bit doubtful. Arpad Goncz repeated that the second free elections had been more important than the first. The large turnout indicated that the country cares about its fate and wants a say in its affairs.

In connection with the coalition negotiations, Arpad Goncz said that he had not found any intention to shut out the opposition. Modest optimism is justified for the future, Arpad Goncz said. In reply to a question he said that he hopes the whole country will be able to cooperate in a harmonious way. He asked the coalition partners not to forget the opposition and to understand its role, if only because they represent one-third of the country in the parliament.

Foreign Affairs Official Outlines Policy Goals

AU2706203194 Budapest MAGYAR NEMZET in Hungarian 25 Jun 94 pp 1, 3

[Report on interview with Istvan Szent-Ivanyi, political state secretary-designate of the Foreign Ministry, by Margit Kocsi; place and date not given]

[Text] Istvan Szent-Ivanyi, who, in accordance with the coalition agreement, will be the political state secretary of the new Foreign Ministry, envisages good and substantial cooperation between the Alliance of Free Democrats [SZDSZ] and the Hungarian Socialist Party [MSZP]. Speaking to MAGYAR NEMZET, the SZDSZ politician said that the new government's foreign policy ideas will already emerge at the meeting of the eight Eastern-Central European foreign ministers and the U.S. secretary of state in Warsaw on 7-8 July, although Hungary will probably still be represented by Geza Jeszenszky.

Istvan Szent-Ivanyi told us that efficient and correct working relations had developed in the past four years between him and Laszlo Kovacs, the foreign minister-designate. It also transpired from Istvan Szent-Ivanyi's words that he was preparing for the tasks of state secretary with great expectations, because this position has the advantage of providing a genuine role in direct foreign affairs activity and in shaping foreign policy.

Therefore, it was only natural that he considered everything thoroughly before deciding to accept the position.

As for the immediate tasks, he spoke about the handing over of the ministry and various important international events, like the foreign ministers meeting with Warren Christopher in Warsaw. Istvan Szent-Ivanyi pointed out that they would prefer to see the views of the new government gain ground. In his view, he thinks it is legally acceptable to have Geza Jeszenszky still represent Hungary at the aforementioned meeting. At the same time, it is also important that a close coordination

precede all this, with the participation of Geza Jeszenszky, Laszlo Kovacs, and himself, as well as the professional diplomats. Another urgent task is the upcoming conference in the framework of the Central European Initiative, also at the foreign ministerial level. The most important international event to be directed by the Hungarian Foreign Ministry is the CSCE summit to be held in Budapest in the autumn.

In connection with the Hungarian minorities living beyond our borders, Istvan Szent-Ivanyi confirmed that the two-party coalition committee has already formulated the major principles in this area. They want to preserve the current level of support by any means, but this support must be open, public, and controllable through parliamentary means. Support for the educational, cultural, and mass communication needs of the minorities will receive priority. Answering a question, Istvan Szent-Ivanyi said he did not know whether the current Hungarian ambassador in Bucharest, Erno Rudas, will head the office of ethnic Hungarians living beyond our borders and of national minorities living in Hungary. The Socialists will decide on this state secretary position affiliated to the office of the prime minister.

In conclusion, Istvan Szent-Ivanyi expressed his satisfaction that, according to the coalition agreement, the SZDSZ can hold the position of chairman of the Parliament's Foreign Affairs Committee and, according to the plans, the concrete personnel decision will be made at the meeting of the SZDSZ group in Parliament on 27 June. Matyas Eorsi and Istvan Musto are mentioned as prospective candidates.

MDF Official Views Prospects of Opposition

AU2406150594 Budapest NEPSZAVA in Hungarian 24 Jun 94 p 4

[Interview with Gabriella Farkas, outgoing deputy executive chairman of the Hungarian Democratic Forum, by Rita Csik; place and date not given]

[Text] In the future, the Hungarian Democratic Forum [MDF] will rely more on party members' voluntary work. As a result of the member survey, it will soon become clear how many people have left the party. We spoke about this and about possible cooperation among the opposition in the course of the coming local government elections with Gabriella Farkas, the outgoing deputy executive chairman of the MDF. The Executive Committee has put Gabriella Farkas in charge of guiding the party machine until the national conference scheduled for the autumn.

[Csik] The MDF Executive Committee asked its members in writing to indicate whether they continue to feel themselves as party members. What is the reason for this survey of members?

[Farkas] The results of the recent elections and the subsequent slightly bitter mood of the members justifies the question of whether we can and want to continue working. This way, we can see who are the members that we can count on both in the course of the experts activity helping the party's parliamentary group and in the local government elections. There will, obviously, be people who say that they no longer want to continue with us, but I do not think that there are many of them. If we did not take the risk in facing up to this, we would be having to build on sand.

[Csik] The party will have to say goodbye to 320 paid employees out of a total of 400. Does this mean that the structure developed in the past four years will also change?

[Farkas] According to our election results, our budget support will decrease considerably. This is why we have to reduce the apparatus both in the central office and the provinces. Although we are streamlining our party, the system and principles will remain the same; we will be able to rebuild all of this without special restructuring when we have the means to do so.

[Csik] The opposition, including the MDF, will now represent a much smaller weight in parliament than in the past four years. Will there be any possibility of opposition politics at all?

[Farkas] If the government coalition wants it, they can pass almost everything through voting. However, I think that, through the committees, we will have the chance to assert our opposition position. The composition of our parliamentary group is fortunate too, because we can send expert and well-trained deputies to every parliamentary committee. I simply do not believe that it can happen in a democratic parliament that a better proposal than that of the government party is rejected merely because it comes from the opposition.

[Csik] Local government elections will be held in this autumn. Can you envisage cooperation between the opposition parties to defeat the government parties?

[Farkas] I am convinced that there is a need for local cooperation. Not only because this is a possibility that brings results, but also because only this can be a successful policy in local political activity. Local political activity should be "above" the parties participating in the election struggle. One of the most important principles is who can do most for the given town or village. I can envisage a situation in which the opposition parties will run with a common candidate in many places or they will support each other's candidates.

[Csik] The MDF will hold a national conference in autumn. To what extent will the leadership change?

[Farkas] The MDF national conference will have to complete the "documentation" of the election defeat. We will not be able to start building if we drag out this analysis for too long. Our election failure was not only due to human error or mistakes. The kamikaze role that the party accepted in 1990 is among the major causes of

our defeat. I hope the causes will be examined honestly and the election of a new leadership will be made accordingly. If we do not do this, we will be going the wrong way. It is absolutely certain that part of the leadership will change. Obviously, the members are dissatisfied with some leaders, but some members of the leadership will be needed for continuity. This will not be another party. This will remain the Hungarian Democratic Forum.

State Assets Agency Chairman Resigns

LD2806073694 Budapest Kossuth Radio Network in Hungarian 0700 GMT 28 Jun 94

[Text] Tibor Pongracz, chairman of the board of directors of the State Assets Agency [AVU], has resigned. The state secretary for privatization is the fourth member of the board of directors to step down from his position. The 11-member body has thereby decreased in size to seven.

Tibor Pongracz told NEPSZABADSAG that the prime minister accepted his resignation with effect from 1 July. The AVU's board of directors is still capable of making decisions because six members are sufficient for decisionmaking.

ΩImpact of Pro-Government 'Bias' of Media Viewed

94P20922A

[Editorial Report] The Openness Club, a media monitoring organization, contends that by exhibiting blatant bias against the Hungarian Socialist Party (MSZP) as its popularity increased in the months before the May election, Hungary's central public service radio and television damaged their own credibility and contributed to the MSZP's sweeping victory over the Hungarian Democratic Forum (MDF) and the other right-of-center government parties. Published in the 3 June daily NEPSZABADSAG and entitled "Was the Government's Downfall Caused by Its Own Television?", the organization's study is based on a detailed analysis of 1,322 news items and commentaries in the 1 April-8 May period, as well as on purported general "tendencies" perceived in the media since last September. The Openness Club, a controversial organization that frequently criticized the outgoing government's media policies during the last four years, was founded in 1988 under the sponsorship of Hungarian Socialist Workers Party reformer Imre Pozsgay (Budapest Radio, 29 October 1988) and has been associated not only with former reform communists but also with the liberal opposition. Interviewed in the liberal daily MAGYAR HIRLAP (4 April 1991), Gabor Halmai—a founder of the Club and "legal adviser to the Constitutional Court"—urged that regulation of the media should be based on the "liberal... Anglo-Saxon model."

The study contends that in the preelection campaign, a "gulf formed between popular opinion and the mass media." The media at first ignored signs of the MSZP's popularity and "miscalculated" its political impact, treating the liberal Alliance of Free Democrats (SZDSZ), which finished a distant second, as the government parties' main opponent and "devoting... just about equal time to the MDF and SZDSZ." This show of fairness did not extend to the MSZP, the study asserts. In March, the MSZP appeared in only half as many news items as the MDF and the SZDSZ. By April coverage of the MSZP was expanded, but rather than reporting neutrally on the party's rise, the media "denigrated" the popularity polls and questioned their objectivity, contends the Openness Club. Moreover, although in that month the number of news items devoted to the socialists increased, only about half them presented the socialists' own views, while the other half focused on criticism of the MSZP by its "adversaries." MSZP politicians were also denied publicity commensurate with their party's prominence. According to the study, MSZP chairman Gyula Horn was only fourth among party leaders in the time he was given to "express himself in his own words," coming after not only Prime Minister Peter Boross but also after Viktor Orban, whose party barely made it into parliament, and after Janos Palotas, whose party failed to gain entry.

The Openness Club's study describes several programs in detail. Analyzing 20 programs of the Hungarian Television series "A Nap" (The Day), the Openness Club asserts that except in the case of two programs with neutral themes, the series failed to present "an objective and balanced" report on clashing political opinions. "Instead, the programs showed an unequivocal commitment to the political views of the governing coalition" and "a marked hostility toward the views of the opposition, above all those of the MSZP." Some of the programs were an outlet for the government's "success propaganda," focusing on the economic achievements of the past four years, while others were "arranged to create the impression of a left-wing threat" from the MSZP. In an attempt to highlight this alleged threat, the Openness Club asserts, on the eve of the election Hungarian Television resorted to further "incredible manipulation" and broadcast a series of films that tried to create the impression of "continuity" between the activities of the MSZP—a successor of the reformist wing of the Communist Party—and the worst abuses of the Stalinist and Kadarist periods. Such "disinformation" was self-defeating, the Openness Club suggests, because the "uncertainty" and "fear" it inspired in viewers turned them against the government-dominated media and ultimately against the government parties.

'Uncertainty' Over Share-Purchasing Program

94CH0309A Budapest NEPSZABADSAG in Hungarian 3 Jun 94 p 5

[Unattributed article: "Uncertainty Surrounds Program for Purchasing Shares on Favorable Terms; Securities of Listed Firms More in Demand"]

[Text] *Although the Program for Purchasing Shares on Favorable Terms (KRP) is still in place, preparations for the stock issues of the two remaining firms in the program's experimental stage have slowed down perceptibly, under the influence of statements made about the program's future.*

Economic-policy experts of the MSZP [Hungarian Socialist Party] and SZDSZ [Alliance of Free Democrats] have said repeatedly that the KRP ought to be suspended. The AVU [State Property Agency] has not adopted any new decision for the time being, but preparations for the stock issues of Global T.H. and Pannonia Hotels, respectively, have slowed down. However, there have been also technical problems at the latter firm.

Officials at the AVU nevertheless believe that, sooner or later, there will be stock issues by both Global and Pannonia Hotels, even if the new government suspends the KRP. At worst in that case, the issues will not take place within the framework of the KRP. The officials deem it important that privatization through the stock exchange be retained in the armory of privatization tools. As one official put it, that strengthens the stock market, and the stock market in its turn strengthens privatization. Many foreign investors, particularly financial investors, are willing to invest only in firms that are listed on the stock exchange.

Problems, Expectations of Budapest Stock Exchange

94CH0309B Budapest NEPSZABADSAG in Hungarian 3 Jun 94 p 5

[Text] *According to the managing director of the Budapest Stock Exchange, the elections have caused some uncertainty in the stock market. But that is not a consequence of a change in political direction. Rather, the uncertainty can be attributed to the fact that the details of the new government's economic policy are still unknown.*

In the opinion of Jozsef Rotyis, international causes are behind the slow decline of share prices over an extended period. The Prague and the Warsaw exchanges, for instance, have suffered sharper declines of their share prices than the Budapest Stock Exchange has. On the other hand, the present slow correction is also a result of exaggerated expectations at the beginning of the year.

Nevertheless, the managing director believes that waiting to see what the change of governments will bring is also a significant factor in the decline of the exchange's trading volume. This is not an exodus of foreign capital, but new investments usually are not initiated at times like this, he emphasized.

Jozsef Rotyis expressed concern about ideas that are being voiced frequently nowadays—namely, that in privatization it is necessary to concentrate on finding strategic investors and, therefore, public offerings and privatization through the stock exchange will be playing a smaller role in the future. Which would mean that large financial investors would mostly shun privatization in Hungary and would turn to other countries in the region. To retain the presence of these large investors in the Hungarian stock market, domestic small investors must also be attracted to a greater extent, because only that can ensure the stock market's liquidity.

However, the stock exchange expects foreign investment to become more lively once the uncertainties regarding the new government's economic policy have subsided. An indication of this is a report in last Friday's WALL STREET JOURNAL to the effect that George Soros's investment fund, which manages several hundred million dollars, is about to embark on a more active investment policy in Central Europe. And the managing director of the Budapest Stock Exchange believes that other investors will be following in Soros's footsteps.

Milewski Views Integration Into NATO

WS2706134594 Warsaw RZECZPOSPOLITA in Polish 27 Jun 94 p 28

[Article by Maria Wagrowska: "Jerzy Milewski, under secretary of state at the Ministry of National Defense: Poland-NATO Agreement Will Be Signed Soon; What Shape of the Partnership?"]

[Text] RZECZPOSPOLITA is the first paper that has been able to take a look at the document entitled "Individual Program of Partnership between the Polish Republic and NATO" (IPP)—that is, the agreement on mutual military and political cooperation resulting from the Partnership for Peace [PFP] program.

The document, which may be published only simultaneously in Poland and the West, consists of 32 typewritten pages. It includes a one-page political declaration; the following pages contain details of various undertakings. The first part of the IPP document recalls the declaration made at the NATO summit on 10 January of this year and the offer of the Partnership for Peace, then the fact that Poland signed the so-called framework document of the PFP on 2 February (general rules of participation in the program). It is also recalled that our goal is participation in the organization and the incorporation of operational forces into the integrated military structure of NATO. Therefore, we are ready to attain the capability for joint operations and to adjust to the requirements of the Western Armed Forces. In the second part of the document, all intentions are marked with the symbols P1, P2, and P3. These symbols denote the sequence of the implementation of the various intentions. Each page is divided into six vertical columns: Code, Areas of Cooperation (Goals of the Partner), General Activities of the PFP, Type, Executive Instance, Remarks.

NATO has recognized the fact that the main Polish priority in cooperation with this organization is to ensure our country's effective air defense, which is possible exclusively in a system integrated with NATO. NATO has generally agreed that the issues of the so-called three "C's" (communication, command, control [preceding three words in English]—that is, the systems of communication, command, and control) are the most important to us, and it also wants to include them in the area of cooperation with Poland.

According to Jerzy Milewski, under secretary of state in the Ministry of National Defense [MON], who has all along been responsible for the shape of the agreement with NATO, an agreement that was proposed by NATO at the January summit meeting and that is now at the final stage of negotiation, the final agreement will not differ, at least basically, from the joint decisions that have already been made.

The IPP will be accepted any day now, certainly before the visit of U.S. President Bill Clinton to Poland (6 and 7 July). Poland was the first country to present NATO with the so-called presentation document (25 April), in which it specified its priorities for cooperation (after the so-called framework agreement, containing general rules and plans, was signed on 2 February). Now it will be the first country to sign the IPP with NATO. It will be of symbolic significance to both us and the "16." To us, because we stated already a long time ago that our strategic goal is to join the Euro-Atlantic security structures, and to them because they perceive Poland as a country that is determined to join NATO.

We Are Setting Off Without an Umbrella

When they started negotiating IPP, Poland and NATO had relatively little cooperation experience; however, there were no serious problems in the friendly atmosphere in which the talks were held, stressed Jerzy Milewski, under secretary of state in MON, in an interview for RZECZPOSPOLITA. We were able to draw on bilateral agreements—that is, on undertakings that were planned earlier by Poland and the individual NATO member states, such as the joint exercises with the Dutch, the British, and the French. Also, we could take advantage of the contacts within the framework of the North-Atlantic Council, which existed until the end of 1991.

In its presentation document, Poland listed its wishes and proposals in 40 points. NATO experts codified them in a method practiced in contacts among the member states of the "16." They marked them with appropriate symbols, letters, and numbers. As a result, the entire IPP document, except for the one-page preamble, consists of tables.

There Were No New Ideas

Then negotiations started (on the level of officers of both sides), the goal of which was to explain the various points. "During these talks," Milewski emphasizes, "NATO did not have any new concrete ideas; however, the organization's intentions for cooperation with us became increasingly clear."

NATO's negotiators wanted Poland to do the following:

- Agree to use the principle of clarity in the activity of the Armed Forces—that is, agree to introduce the fundamental standards that would make the planned activity predictable for all partners.
- Agree to democratic control over the Army (exercised by elected civilian authorities).
- Be able and ready to take part in UN peacekeeping forces because peacekeeping missions are currently becoming the basic type of military activities and of preventing destabilization in the world.
- Be able to take on peacekeeping, rescue, and other types of operations thanks to joint defense planning and exercises.
- Make clear its intentions concerning its future cooperation with the organization.

Poland accepts all these conditions.

Jerzy Milewski underscores that Poland's participation in the PFP is subordinated to our strategic goal, formulated two and a half years ago: full membership of Poland in NATO. This is why Poland declared in the IPP that it will incorporate all of its operational forces into the military structures of NATO, even though we were only expected to double our participation in peacekeeping missions. Poland will take measures that may help us incorporate our own Army in the NATO structure: The commanding staff of our Army will cooperate with the various—land, air, naval—commanding staffs of the joint NATO forces in Europe and with the combined task forces [preceding three words in English], which are being established by NATO right now.

Cooperation with NATO would consist of the following:

- The beginning of permanent consultations concerning the defense policy.
- Communication between our General Staff and SHAPE (Supreme Headquarters, Allied Powers Europe) and AFCENT (Allied Forces Central Europe).
- Installation of technical means of communication (mainly digital communication, coding methods).
- A striving to adjust the Polish Air Defense and incorporate it in the integrated NATO system (which in the West is at least 50-percent automated). Poland mainly wants to get access to the air reconnaissance system.
- Adaptation of the command procedures and all other procedures, such as signs on maps and methods of commanding (in NATO, there are approximately 2,000 signs that codify their procedures).

The IPP envisions various individual undertakings that are supposed to help achieve these goals.

In Entirety or in Part

According to Milewski, we must strive for a situation in which both all our Armed Forces and smaller formations (such as one corps, three divisions, two battalions) can be used—in cooperation with NATO. Contrary to what it seems to be, the second possibility may be more difficult to implement because the isolated units must be able to operate on their own, must be well equipped and mobile. Later at least some Polish airfields and martial ports should be adjusted to Western standards; in addition, appropriate supply needs should be satisfied—for example, fuel characterized by appropriate parameters.

Minister Milewski believes that cooperation with NATO should develop "step by step." As a result of concrete minor organizational and technical measures, as well as greater undertakings, the Polish Armed Forces should be considered to be adjusted to NATO requirements, adjusted to cooperation so that all or part of those forces could be commanded by international commanders, should a NATO summit decide to launch a military operation.

Under the Name PFP

Cooperation within the framework of the PFP is practically under way. Before that, even before an agreement is reached, the planned undertakings have already begun—under the name PFP. From the formal point of view, the first joint undertaking will be international exercises of the peacekeeping forces, which will be conducted on the firing ground near Zagan in September. Participating in it will be 400-500 U.S. Army soldiers, soldiers from other Western countries and from Poland and some Central-East European states. Because NATO is the one that issues an invitation, the possibility cannot be ruled out that the Russians will also come to Zagan. Soldiers will use only light personal arms.

Central-East European states unofficially inform each other about their negotiations with NATO. Individual programs of partnership will not be secret. It will be possible to review these documents every year.

Without Political Protection

The question whether the IPP is satisfactory to Poland evoked many words that were critical of the entire PFP; Jerzy Milewski told us that two aspects should be distinguished in this program. The first concerns so-called temporary guarantees; the other pertains to a long-term program of full integration with Western structures. The PFP was rightly criticized as a program that would not give us any political protection from pressure on the part of the Russian Federation, the goal of which is to leave Poland and other Central European states in the gray zone. This pressure caused anxiety among the people. Because the pressure did not encounter a counterreaction from the Western states, the entire situation began to be increasingly similar to Yalta. If we were offered membership in NATO or at least some form of association with the organization, political protection would be expected. Full integration into NATO is not possible right now. It calls for an adaptation process, as a result of which our defense structure would be adjusted to the NATO structure. This should make our future membership real, not only formal. We look upon the PFP as a mechanism to help integration into NATO, and, from this standpoint, it can be considered sufficient.

Jerzy Milewski stresses that Poland should make efforts to be admitted to the NATO structures gradually. The political integration might be made right now; military integration, because of the necessity of defense planning and adapting the Army, would take some time. The example of Spain, which signed six agreements on gradual integration before it was actually admitted to NATO, shows that gradual integration is possible.

'Social' Draft Constitution Viewed

PM2706134494 Gdansk DZIENNIK BALTYCKI in Polish 14 Jun 94 p 7

[Interview with Zbigniew Romaszewski, chairman of the Solidarity parliamentary caucus, by correspondent Barbara Madajczyk-Krasowska; place and date not given]

[Text] [Madajczyk-Krasowska] What type of political system is proposed in the "social" draft constitution?

[Romaszewski] A cabinet-cum-parliament system, with the president discharging a control function and elected by general vote. The president will have supervision over all control and monitoring institutions—for example, the Supreme Chamber of Control and the National Labor Inspectorate.

[Madajczyk-Krasowska] Will the president's range of competence will be narrower than in the Small Constitution?

[Romaszewski] The current division of the executive power generates conflict between the president and the government. In our view, we cannot have a situation where the three most important government departments are outside parliamentary control. Moreover, this division also causes tensions within the government and results in a decisions blockade.

We have a choice between two political systems. In the first, which is in practice in the United States, the president is responsible for the entire executive administration, but even there parliament has a very wide range of powers relative to control of the executive administration, including the power to recall the president. In the second system, the prime minister is responsible for the whole executive sector. It is very difficult to achieve a cross between these two systems, so we decided to entrust the executive powers to the prime minister, who answers to parliament.

[Madajczyk-Krasowska] In this situation, is there any point in electing the president in a general ballot?

[Romaszewski] That has, in its way, become a tradition now. Moreover, it is important that the president's authority is reinforced by the system whereby he is elected in a general ballot.

[Madajczyk-Krasowska] Will it be a constitution according to the model put forward by the Solidarity trade union?

[Romaszewski] No. It will be a constitution focused broadly on the questions of human rights, civil rights, and civil freedoms, in which emphasis will be placed on employees' rights. It will contain a provision introducing a novel institution—that is, a Tripartite Commission—which will include representatives of employers, employees, and the government. The commission will be responsible for such matters as, for example, the setting of the minimum wage.

[Madajczyk-Krasowska] The project accords an important position to the Senate, does it not?

[Romaszewski] There are only two options here: Either the Senate goes or it stays. In its present shape, the Senate is superfluous because all it does is repeat the Sejm's work. Because we decided to retain the institution of the Senate, we recommend that an unambiguous formula be found for its function. The Senate should provide a representation for local administration. Its members should be elected according to the electoral law currently in force, which gives equal rights to such voivodships as Suwalki, Slupsk, and Chelm, each of which elects two senators. This is most important because this gives the so-called Poland-B [undeveloped, rural, poorer regions] an equal chance to be represented. The Sejm, which is elected according to the proportional representation principle, is dominated by the large urban centers.

We believe that Polish parliamentary life suffers from the disease of politicizing and partisanship. Accordingly, we suggest that the Senate be placed outside political games and strategies. That is why we want to make senators' seats independent of their party allegiance. It will mean that all senatorial candidates belonging to a particular party should, once elected, suspend their party allegiance. Thus, political party caucuses should cease to operate within the Senate. There would be no direct equivalent in the Senate of the parliamentary party clubs that operate in the Sejm. The Senate as a parliamentary chamber would gather together genuine political authorities rather than representatives of political parties. The legislative initiative would rest with individual senators rather than with the Senate as a whole. At the moment, the Senate's legislative initiative is practically nonoperative.

The Senate would also appoint special commissions to investigate individual cases.

[Madajczyk-Krasowska] Are you thinking here of special investigative commissions appointed to examine malpractice allegations against the government?

[Romaszewski] Yes. If such a commission is set up within the Sejm, in which the government has the majority of votes, its work will always be illusory. If we place such structures within the Senate, we stand a better chance of obtaining positive results. We are very much interested in separating the Senate from the executive apparatus and from personal competition over ministerial posts. The Senate should occupy itself mainly with legislative work and with discharging a special kind of control function.

[Madajczyk-Krasowska] You want to write a range of citizens' social welfare entitlements into the future constitution, but we know that, for example, the right to free medical treatment is in practice largely fictitious.

[Romaszewski] We have been very careful in this respect and tried to formulate these provisions so that they would not lend themselves to becoming empty phrases, to ensure that the constitution is indeed the fundamental legal act. We have included no unrealistic provisions with which people would be at a loss as to how to apply them. We tried to follow the line of making certain regulations more precise—especially those concerning health and family protection laws.

[Madajczyk-Krasowska] Certain critics of your model of the constitution accuse it of excessive right-wing orientation.

[Romaszewski] This does not mean a thing. After all, it would be hard to find right-wing leanings in a document that provides so extensively for union rights.

[Madajczyk-Krasowska] But the preamble is formulated in a most grandiloquent style.

[Romaszewski] It is modeled on the preamble to the 3 May [1791] Constitution.

[Madajczyk-Krasowska] And it does mention Christian values.

[Romaszewski] I believe that our proposed solutions in the sphere of state-church relations are not controversial. We assume autonomy for all religious denominations. Moreover, relations between the state and the Catholic Church are regulated by the Concordat.

[Madajczyk-Krasowska] Why do you insist on suggesting in the constitution that two-thirds of the parliament's composition be elected by a majority vote? Do you want to get rid of parliamentary party caucuses?

[Romaszewski] It is most important to include the declaration on electoral law in the constitution because parliament will never do that itself. Our political parties are rather small, and their members move in their exclusive circles. Unless we introduce the majority-rule electoral law, they will never gain strength and will not broaden their membership to include wide reaches of people not immediately interested in gaining positions in the power apparatus. The leaders will always formulate the type of electoral law that will seem to bring the most advantages to the parties themselves and to no one else.

We are in favor of keeping political parties going, but we also suggest that deputies be selected according to a mixed-type electoral law, weighted in favor of offering a larger proportion to the majority vote. Sejm deputies and senators would then be elected in their wards according to the majority-vote electoral law. In other words, those who gain the largest number of votes will win the seat. There would also be an additional, national candidates' list. Seats won on that list would be shared proportionately by the political parties, depending on the number of seats won in individual election wards. In this way, the political parties would be forced to put up their best candidates in their wards, even if the candidates themselves came from outside the wards, because the number of seats to be won by them from the national list would depend on the number of votes obtained by these candidates. This type of electoral law would create a genuine social representation in parliament instead of bringing into parliament people interested only in acquiring and wielding power. The current proportional electoral Sejm law in force, which gives priority to political parties, only discourages people from taking part in parliamentary elections.

[Madajczyk-Krasowska] Why is it to our advantage to endorse and support the draft constitution proposed by Solidarity?

[Romaszewski] Because it offers a comprehensive project of the fundamental law, reinforces unequivocally democratic values, and arises from Solidarity and post-Solidarity circles.

[Madajczyk-Krasowska] Let us assume that some 500,000 people sign a petition in favor of the proposed draft constitution. Will the present parliament consider it then?

[Romaszewski] If the parliamentary commission fails to consider a draft proposal that has obtained 500,000 or more signatures, it should consider the possibility that any serious departures from the version proposed in that draft may cause a rejection of its own draft constitution in a national referendum. On the other hand, if it chooses to be directed by political realism, it will accept our proposal as the basic material for the formulation of the constitution.

[Madajczyk-Krasowska] So your proposal of your alternative draft constitution is not a kind of "art for art's sake" move?

[Romaszewski] No, it is not. The draft constitution proposed by post-Solidarity circles is most important for the country in a situation where parliament is dominated by postcommunist forces.

[Madajczyk-Krasowska] Thank you for talking with us.

Union of Labor's Move to Opposition Examined

WS2806104194 Warsaw RZECZPOSPOLITA in Polish 28 Jun 94 p 2

[Article by Kazimierz Groblewski and Jerzy Pilczynski: "For the Leftist Character—That Is, for Votes"]

[Excerpts] On 26 June the Union of Labor [UP] officially joined the opposition. It decided that the Democratic Left Alliance [SLD] moved to the center of the political scene, that it is not implementing its election promises, and that it is no longer the left wing. Thus, on our political scene, there arose a dispute that has already often appeared in the history of the left wing: What is the "proper" left wing, and what is only pretending to be the left wing?

A Favorable "No"

UP took part in lengthy negotiations with the Polish Peasant Party [PSL] and the SLD regarding the formation of the government; however, it finally said "no." [passage omitted]

The Opposition

At the Sunday session of the National Council, 38 persons voted in favor of UP's passing to the official

opposition, eight were against, and one abstained. The decision is of some significance chiefly in terms of propaganda. UP never was a member of the governing coalition; in voting, it has acted for a few months now rather like an opposition party. Thus, nothing will change in the Sejm.

The coalition maintains its advantage. UP will not necessarily increase the strength of the parliamentary opposition. It criticizes the opposition from the position of a leftist party—that is, from a position entirely different from the positions of the Confederation for an Independent Poland, the Non-Party Bloc in Support of Reforms, or the majority of the Union of Freedom. It is worth recalling that UP abstained from voting on the report on the implementation of the budget by the Suchocka government.

There Is Something Else Behind It

UP's decision to officially join the opposition is not addressed to political groupings. Its addressees are supposed to be voters—voters of UP, as well as voters of the SLD. The UP Council argues that the SLD has moved toward the center of the political scene, that it has ceased to be part of the left wing, and that right now UP is turning out to be the sole defender of leftist values. UP will be the leftist opposition to the government, which, according to it, is centrist. At a 27 June press conference, Ryszard Bugaj said that the party's decision to join the opposition will not cause any serious political consequences in this parliament.

The argumentation is quite risky. No matter how far to the right the SLD has moved—if it has moved in that direction at all—it seems that an attempt to persuade voters that the SLD is no longer part of the left wing cannot be successful.

However, UP is in a comfortable situation right now as the last defender of the left. It will certainly act on behalf of the people, to whom the SLD promised social values in the election campaign, and the promises have not been kept. Thus, UP will speak on behalf of not only those who voted for it but also those who elected the SLD. It will hope that, among SLD voters, there are people who are really disappointed with the current policy of their party and will begin supporting UP instead.

UP was established as the postsolidarity left wing. As such, it enjoyed the sympathy of centrist and rightist postsolidarity politicians as well. They hoped that its establishment would break apart the Social Democracy of the Polish Republic, attract some of the more valuable groups from this party, and, as a result, parties of the Polish People's Republic's origin would be relegated to the margin. The last elections must have put an end to these hopes: It became clear that SLD exists and will continue to exist. When the PSL and the SLD formed the government, it also became clear that sooner or later UP would try to find a place for itself on the right side of the political scene. The only thing that had to be done was to choose the right moment.

From the UP point of view, it seems that it was high time. The party has been going through some problems lately. It has come to light that one of its politicians, Janusz Szymanski, is a member of the Supervisory Board of the Posnania Bank, a bank linked to the Elektromis company. Another UP leader, Wojciech Lamentowicz, was among those who signed a report on the condition of the cadres in the Ministry of Foreign Affairs, which caused such a great commotion. In addition, UP's influence within "Solidarity" has decreased quite dramatically. Finally, in the last self-government elections, the party obtained poorer results than had been expected.

On 26 June, Bugaj's party started its long campaign to win over SLD voters. It is not at all certain what results this will yield.

Villages To Be Paid To Store Nuclear Waste

LD2606214694 Warsaw TV Polonia Network in Polish 2000 GMT 26 Jun 94

[Text] Parishes will be paid from the State Atomic Agency [PAA] budget for storing nuclear waste in accordance with the new version of the atomic law, which was unanimously adopted by the Sejm.

[Correspondent Malgorzata Wisniewska] Radioactive waste not only is produced by nuclear power stations and research reactors, but is also a by-product of radiology and the production of certain medicines. According to the PAA, nuclear waste dumps do not constitute a hazard to the environment.

[Begin recording] [Professor Jerzy Niewodniczanski, PAA chairman] This is the first condition. All waste and, above all, nuclear waste, must be stored in such a way that it cannot have any harmful effect on the environment. [end recording]

[Wisniewska] The largest dump is in Rozan. For three months now, the authorities of this typical holiday village have been protesting against the storage of waste in their parish. In accordance with the new law, the money for making a dumping site available by the parish will be provided in compensation for the loss of its good name [sentence as heard]. [video shows: industrial site surrounded by wall, guarded by uniformed men]

[Begin Niewodniczanski recording] The issue is not in buying health for money, not any Judas's silver, but payment for the fact that losses have been incurred, for the psychological aspects of the problem. [end recording]

[Wisniewska] From now on, parishes will find it worthwhile to store waste. But the inhabitants of Rozan are of a different opinion.

Government To Implement Pro-Export Measures

LD2706153494 Warsaw Radio Warszawa Network in Polish 1200 GMT 27 Jun 94

[Text] There has been a further decline in the share of exports in the national income. According to the National Polish Bank, at the end of last year the foreign trade deficit reached over 2 billion zlotys. Maciej Lesny, under secretary of state in the Ministry for Foreign Economic Cooperation, has told journalists that this trend is against the government's intention. Proexport state policy guidelines, which were prepared recently, attach much importance to economic contacts with Russia, the opening of the European Union markets, and the elimination of protectionist measures.

[Begin Lesny recording] First, we will be able to give export incentives to large exporters. Second, we will be able to insure them to cover not only commercial risks but also political risks, which is extremely important. Third, reputable exporters or importers will be able to receive refunds of customs duties and taxes very quickly, if they have to use imported components for the manufacturing of goods earmarked for exports. Home producers will be able to receive VAT [value-added tax] refunds on goods to be exported.

In the near future, we hope to work out solutions that will enable those who have to import materials in order to export their products later to avoid paying any charges as a result. [end recording]

Opposition Presents Censure Motion in Parliament

AU2706200794 Bucharest Radio Romania Network in Romanian 1900 GMT 27 Jun 94

[Text] The censure motion [against the Vacaroiu government] presented today during the joint session of Romania's Parliament by the opposition condemns the economic and financial policy promoted by the executive, which leads to the perpetuation and deepening of the crisis. Similarly, the censure motion points out that the policy of the Nicolae Vacaroiu government runs counter to national interests by deliberately ignoring the developing of certain strategic sectors, which has disastrous consequences for the future of the country. The government is also accused of not observing its own government program.

As a consequence of all this, the signatories of the censure motion appeal to all senators and Chamber of Deputies members to join them and express by vote their lack of confidence in the current government. The censure motion was signed by 141 senators and Chamber of Deputies members.

Immediately following the presentation of the text of the censure motion and of the list of the parliamentarians who signed it, the parliamentary faction of the Liberal Party 1993 [PL-93] suggested that the Thursday [30 June] debates on the censure motion should be carried live by national television. They suggested this because the permanent bureaus of the two chambers of Parliament had expressed an contrary opinion.

Submitted to vote, the PL-93 parliamentary faction's proposal that the Thursday debates of parliament should be carried by television was rejected by 138 votes against, 160 in favor, and 41 abstentions, as the proposal was not supported by a majority of the 407 parliamentarians who attended today's session, our correspondent reports.

Iliescu Views Political, Economic Progress

AU2706161694 Bucharest DIMINEATA Supplement in Romanian 18 Jun 94 pp 2, 3

[Interview with President Ion Iliescu by reporter Marioara Stoianovici from the publication LIBERTATEA issued in Vojvodina, Republic of Serbia, in Bucharest on 18 May: "Romania, an Open Country"]

[Text] [Stoianovici] I would like to thank you very much for your kindness in receiving me and I would like to extend to you cordial greetings on behalf of my colleagues and of all the Romanians who live in the Yugoslav Banat region.

[Iliescu] Thank you.

[Stoianovici] Likewise, I would like to mention that the meeting with you means for us encouragement and an extremely great moral support but, at the same time, it also shows your concern for us, the Romanians living beyond Romania's borders.

[Iliescu] Now more than ever. Because for a long time this issue was ignored in our country and no attention was paid to it. You who live in Vojvodina have had a somewhat privileged situation. I visited you in Novi Sad when I was still working in the area of "water management." In Vojvodina you succeeded in establishing a center for actions aimed at preserving interest in Romanian culture, Romanian language, and literary works in the Romanian language, while the Vlachs, for example, who are living in the Timok Valley, are more oppressed. They did not have many opportunities in the past either. As far as I know, they are not really recognized as an ethnic group today either, and therefore their situation and their position is much worse than yours. We have to find ways to help them as well.

[Stoianovici] The Romanian minority living in the Yugoslav Banat region is well preserved, and therefore we make great efforts to continue to preserve our minority even in this current period of great crisis. If you will allow me, I will start asking you some questions now.

[Iliescu] I'll answer you with pleasure.

[Stoianovici] Thank you. My first question is the following: As a result of the December 1989 revolution, Romania had resolutely started off on the path of democracy and market economy. This path is quite hard in the new geopolitical and economic situation that emerged after the downfall of communism in East European countries. How do you view the results obtained in this confrontation with the difficulties of transition?

[Iliescu] One can talk about two different aspects here. In the political sphere, things have progressed better. I would not say in an easier way, but definitely faster, because political systems can cope with such situations. Revolutions happen generally in the field of political relations in society. One power is eliminated and replaced by another one. This can be achieved in the way it happened in Romania, that is, through a sudden crash, with a revolutionary elan, through people's revolt. The old state structures were eliminated, demolished, and new provisional structures have been established, which, later through free elections—we had two rounds of elections, in 1990 and in 1992—established the appropriate framework for the endorsement of the new constitution. The judicial bases and the structures of the new institutions of the rule-of-law state were also established. Thus, I believe that in the area of political relations in our society, these four years have marked radical changes in the physiognomy of the Romanian society. We have moved from the monopoly of a single party to the multiparty system and from a party-state toward a rule-of-law state, with separation of powers, and with the democratic system of electing state bodies and establishing all necessary institutions. Certainly, this is a process that will continue mainly in the field of properly

organizing the society, that is, the civilian society. Thus, in this respect, things have progressed.

Things are progressing a little bit slower in the area of economy because the economic system is a more inertial system. In this case, accumulations require time. Certainly, many things have changed. First of all, as a result of changes in the political field, a collapse of economic structures took place. We used to have a super-centralized, state-run economy. As early as the beginning of 1990, the central structures were dismantled and a rapid decentralization process took place in the economy. We took measures to ensure the liberalization of domestic and foreign trade and liberalization of prices and salaries. We made efforts to achieve the convertibility of our national currency, the leu, a process that only this year has reached a certain stabilization. Thus, many changes have taken place in the field of economy, but economy is a much more delicate issue.

Certainly, these changes also meant certain disruptions, because the structure of the centralized, rigid economy, as it used to be, had its own internal rules. The moment this structure broke, its internal rules also broke, without having been replaced with something else, without a market economy with all its specific structures and institutions having been established. This brought about disorder and disruptions at the level of national economy. One can also add to this the international situation, the collapse of the international system in which we had been integrated, namely the CEMA. Thus, some markets disappeared altogether or became rather limited and we lost traditional partners. We could feel this situation in our entire economy.

In practical terms, currently our industry is working at half of its potential. Likewise, in agriculture we also encountered great difficulties as a result of the dissolution of cooperative structures. The economy is coping with difficulty with this situation. Revival is a much more difficult process. However, I believe that we have overcome the most difficult times.

At a macroeconomic level, 1993 was the most difficult year for us, because, on the one hand, we felt the effects of this decline in economic activity and because it was the year when the most difficult economic measures were taken such as cut of subsidies and introduction of value-added tax and of some financial discipline measures which were aimed at halting the quite high pace of inflation. Last year, the inflation rate reached 300 percent and this was our peak. Certainly, this does not impress you in Yugoslavia because...

[Stoianovici] Yes, inflation is much higher there.

[Iliescu] But for our situation it is very high. And this caused great difficulties. Among other things, one of the effects of the high inflation rate was the lack of capital for enterprises and economic companies, which started off with insufficient capital due to the old mechanisms of centralized economy. According to the plan, they received only half of the necessary financial resources. The rest was obtained from bank loans, as an element of additional control exercised on them. When the plan disappeared, the major source of ensuring financial resources also disappeared and all companies became dependent only on banks which also had less than sufficient resources. Inflation and increase of interest rate led to a situation in which enterprises found themselves completely without capital and an economic-financial blockage emerged that we are still experiencing today.

Currently, the year 1994 is marked mainly by this big problem of financial blockage. However, we hope that things will slowly, slowly stabilize at a macroeconomic level. This year one can already notice a drop in the rate of inflation. Last year production marked a zero increase. Thus, the decline of industrial production was halted. However, today we are facing the task of reviving industrial production and ensuring its increase. Agriculture also shows signs of revival. Foreign trade, mainly exports, also started to show some improvement. Thus, there are premises that will turn 1994 into a year of revival and improvement of the economic activity. However, as far as people's living conditions are concerned, it is still a difficult year. There is still a big difference between people's income and prices. We have a large number of unemployed people, that is, 1.2 million. Thus, from the viewpoint of the microeconomy and people's standard of living, 1994 still remains a difficult year. However, with the premises that I was talking about earlier, there are great chances that at least next year hopefully we will mark a perceptible improvement in people's lives.

[Stoianovici] If you will allow me, I am going to ask you the second question. By being accepted into the European democratic structures, Romania has demonstrated that it is attached to the democratic values that are promoted in the world. I would like to ask you to mention a few more important elements that enabled and ensured this opening to the world.

[Iliescu] As I was saying before, ll these changes that have taken place mainly in the country's political life were record events for us, which enabled us to join European bodies. There were certain prejudices toward Romania and the countries located in this geographical area in general, but particularly against Romania. This was also caused by a very strong anti-Romanian lobby that sprang up from Romania itself. The internal political struggle was reflected in an unhealthy way in the international arena and this caused some reservations toward our country in connection with the establishment of democratic structures, although everything spoke in favor of it.

Romania experienced the most acute revolution, because of the people's uprising that dissolved old structures at one push. Only five months after the people's uprising of December 1989, we held the first elections in the presence of a large number of parties that emerged in this period. Nobody contested the validity of those

elections. Parliament was elected, which was also a constituent assembly at the same time. We worked for one and a half years to draft the constitution, an exclusively democratic constitution, which is in line with all international standards of such fundamental documents and which was appreciated as such. On the basis of the new constitution, we organized local elections and general elections in 1992. Thus, the whole unfolding of political life was a proof of a constant progress, without any reservation and with no chance of returning to the old regime. As a mater of fact, it is aberrant even to question whether a revival of the old structures in the political sphere or economic area is possible. The idea itself is aberrant.

The political struggle is carried out by people and groups of people. One cannot conceive of building a democratic society on the basis of the same rules that governed the totalitarian regime. In fact, the exclusion of a group of people from the normal life, from social life, from political life was the rule of those who were playing the role of "champions of democracy." They were excluding groups of people from the country's political life. According to what criteria? According to their subjective criteria. Thus, if a former [communist] party member became a member of a right-wing formation, he was "clean" as far as his past is concerned. If a former member of the Communist Party remained a left-wing supporter, this was unacceptable from the very beginning! What I mean is that these are subjective rules and subjective judgments that have nothing to do with democratic principles which are governing society. We all have to change this society and we all have to be valuable members of this society, and each of us should contribute with all our might to our progress.

However, I believe that in the international arena we have overcome this stage. Thus, there was this period of reticence and reservations toward us. However, currently, I believe that things are regarded with much greater understanding and realism, and this understanding should characterize the political thinking in general.

Last year we marked a few events: association, with full rights, to the Council of Europe; association to the European Union, initially to the NATO Cooperation Council; and now we have signed the Partnership for Peace document. Recently we have been accepted into the Western European Union with a status of associate partner. Thus, now one can clearly talk about openings that prove these tendencies that refer not only to the internal processes in the countries in our region, but also to a new way of political thinking in Europe and throughout the world in general.

[Stoianovici] My next question refers to relations with Yugoslavia. Currently, Yugoslavia is going though maybe its worst times in its troubled history. Yugoslavia has always had traditional ties of good neighborliness, friendship, and cooperation with Romania. What can you tell us about the current stage of these relations, certainly also viewed from the perspective of the lifting of sanctions?

[Iliescu] Our relations have always been and have remained good, even in conditions of this tragic period for the peoples of Yugoslavia. We are nurturing absolutely the same feelings of friendship and solidarity with the peoples of Yugoslavia and with the Serb people, with whom we have always had relations of good neighborliness. We have never had conflicts throughout history. Therefore, we have followed with great concern these dramatic events in the Yugoslav state, this dissolution of the federation, and mainly the outbreak of conflicts that have brought about so much tragedy. In these circumstances we tried to preserve open relations and contacts on the one had with all the sides involved in the conflicts and, on the other hand, with all the new state formations that have been established. I believe that we have good relations not only with the Federal Republic of Yugoslavia, Serbia, and Montenegro, but also with Slovenia, Croatia, Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], and Bosnia.

What matters is that this state of strife, maximum tension, and conflict should be overcome. We have hailed all efforts made in the world to assist on the one hand the actions aimed at halting the conflict and state of war, and, on the other hand, efforts made to find political, reasonable, and adequate solutions for all sides involved. Thus, we pleaded for a realistic attitude and for encouraging contacts and dialogue, and for finding adequate solutions at the negotiation table. We knew that it was not easy, especially after military conflicts opened.

This type of conflict aggravates the situation even more, increases tension, and makes more difficult the reestablishment of normal contacts and of a logical and realistic approach to all issues. However, the more so, we believe that the major mission of the international community is not to take unilateral and partial positions but to try and facilitate political contacts and eliminate sources of conflict. Likewise, we have hailed all more recent efforts, including recent meetings in Geneva. Although I realize that the disputed issues are still very serious, nevertheless, I believe that the path of dialogue is the only possible way for progress. To continue on the path of military conflict means to aggravate things even more.

[Stoianovici] I believe that my next question is the longest one. One of the major goals of the revolution is to change the attitude toward Romanians who live beyond the country's borders, contrary to the previous position of ignoring their existence. As far as we are concerned, the new policy that is being promoted has proved to be constructive. Currently, we are all confronted with a very serious economic situation in Yugoslavia. To what extent can Romania, the mother country, assist the Romanian minority in Yugoslavia in its efforts to preserve and cultivate their Romanian language and culture?

[Iliescu] You have remarked it correctly, the former attitude was a mistake of the Romanian state. Regardless of the structure of a state, it cannot ignore its own citizens or fellow nationals who live in other areas. And this was one of Ceausescu's big mistakes and stupidities, to treat the Romanian diaspora with hostility and regard all those Romanians who left the country to live in various other places as traitors. Even Romanians who for hundreds of years have lived in the Balkan region and in neighboring countries were ignored.

After the Romanian revolution, we adopted an open position. We considered that all Romanians, regardless of the place where they live, essentially are bound to the motherland and cannot ignore what is going on in the country. Cultural connections with the motherland, with the national culture, and with the mother tongue are normal for every person. And our duty is to remain open and reach out with a helping hand to all Romanians, regardless of the place where they live, closer or farther from our country. We have proclaimed this as a policy of the Romanian state.

In a way, I am familiar with the activity of the Romanians in Vojvodina. I visited Novi Sad a few times, your publishing house and the radio and television stations. I held meetings with representatives of the Romanian community. I think that the Romanians in Vojvodina, generally speaking, have had a good situation. They have enjoyed a certain recognition and it is also their merit that they knew how to assert their existence, their being, culture, and language. They became artisans and their cultural work became part of the present Romanian cultural heritage. There have been good relations between our writers as well.

I believe that other Romanians in the same area, such as the Vlachs in the Timoc River Valley, have a more difficult situation. I recently heard somebody's theory that the nationality of the Vlachs should not be recognized. Tara Romaneasca [southern part of Romania, former province of Wallachia] formerly was called Wallachia. The name Wallachia comes from the Serb term for Romanians, that is Vlachs or Wallachs. Thus the Vlachs are Romanians. That is the term that Slavs used for Romanians, Vlachs or Wallachs. Thus, the Vlachs in the Timoc Valley are Romanians, just as much Romanians as the Romanians in Vojvodina or Romanians in Romania.

However, they had a much more bitter situation because they were completely isolated from Romania. I believe that it is the common duty of Romania and of the Serbian Yugoslav state to assist these Romanians to regain their dignity and their right to exist, to assert themselves, and to assert their national culture.

As a matter of fact, we promote a policy that I believe is correct, honest, and open toward all countries that have Romanian minorities. We regard our minorities not as Romania's agents on the territory of other countries but as fellow nationals. But, as citizens of another country, they have to be loyal to the state whose citizens they are, just as we regard all citizens of Romania with the same openness, and grant them equal rights with Romanians, regardless of their nationality. All ethnic minorities in our country are treated by the Romanian state, in the current new democratic situation, with understanding. We grant them all our support. On this basis, I believe we can forge relations of good neighborliness with all countries and with our co-nationals. Thus, we believe that it is our duty to preserve these cultural relations and grant all the support we can to preserve the Romanian being and culture.

[Stoianovici] At the end of this interview, if you will allow me, I would like to ask you one more question: Do you have any message for the Romanians in Vojvodina?

[Iliescu] I wish both the Romanians as well as the Serb people and the Yugoslav peoples to overcome first of all these difficult times and the present state of conflict in the Yugoslav area and to reinstate a normal situation. On this basis, I wish for the resumption of normal, natural neighborly relations and of economic relations between our countries that have been affected very much. The embargo is not only directed against Yugoslavia, it is also against Romania, Bulgaria, Hungary, and the other neighboring countries. We all suffer because of it. Thus, first of all we wish that a normal situation be reestablished and, on this basis, cultural life, a full intellectual life, with complete use of creative capacities our nations should be able to develop.

Izetbegovic: Cease-Fire Depends on Talks

AU2706150994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jun 94

[Text] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, received today General Michael Rose, commander of the UN Protection Forces [UNPROFOR] for Bosnia-Herzegovina, at his request. Army General Rasim Delic, chief of staff of the Bosnia-Herzegovina Army, and Viktor Andreyev, chief of the UNPROFOR civilian sector for Bosnia-Herzegovina, also attended the talks. General Rose complained about the increase in the number of attacks on UNPROFOR by both sides.

President Izetbegovic said that our policy is full cooperation with UNPROFOR, and that everything will be done to provide them with normal conditions for work. He stressed that the cease-fire had to hold on the entire territory of Bosnia-Herzegovina, and not partially, as it suits the aggressor. Military observers for the monitoring of the cease-fire should be deployed in a reciprocal fashion on both our and the aggressors' side, but the presence of the aggressor's liaison officers on our territory is unacceptable.

General Rose said that intensive work was under way in Gorazde to solve the problems with the return of the population to their homes in the zone within 3 km. Asked by Rose about the possibility of extending the cease-fire for another four weeks, President Izetbegovic said that this would depend on the progress made in the political negotiations.

Izetbegovic Tours Herzegovina, Visits Center

LD2706233194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2200 GMT 27 Jun 94

[Text] Alija Izetbegovic, president of the state presidency, accompanied by Army General Rasim Delic, chief of general staff of the Army of the Republic of Bosnia-Herzegovina, and Minister for Internal Affairs Bakir Alispahic, is visiting Herzegovina. On his way to Mostar, Izetbegovic on 27 June visited several military bases of the 4th Corps. Commanders of this formation of the Bosnia-Herzegovina Army briefed Izetbegovic on the military and security situation and the results achieved in the implementation of the Washington agreement. At the recruitment center of the 4th Corps of the Bosnia-Herzegovina Army, Izetbegovic addressed the first generation of Herzegovina recruits.

Izetbegovic Starts 'Extensive' Visit to Mostar

AU2806111994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 28 Jun 94

[Report by Zlata Petral from Mostar]

[Text] Having visited Konjic and Jablanica, Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, arrived in Mostar. Upon arrival, President Izetbegovic was received by Mostar Mayor Safet (Dorucevic) and members of the commune's Presidency. As I report, talks in the Presidency of the Mostar Commune are under way. After a brief [word indistinct], Alija Izetbegovic, president of Bosnia-Herzegovina, will visit Muslim cemeteries [sehitluk], where Mostar's heroes have been buried. President Izetbegovic's visit to Mostar is really extensive and we shall be covering everything in our newscasts.

Silajdzic Meets With Italian Foreign Minister

LD2706122794 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 27 Jun 94

[Text] Italian Foreign Minister Antonio Martino has held talks in Sarajevo with Bosnia-Herzegovina Prime Minister Haris Silajdzic. After the talks Prime Minister Silajdzic said that the external borders of Bosnia-Herzegovina cannot be haggled over and cannot be the subject of any political negotiations. According to him, this message was clearly conveyed to the Italian foreign minister. It was stressed that only an internal transformation of Bosnia-Herzegovina can be discussed.

The Italian minister said that he has come to Sarajevo to conduct preparations for the September meeting of G-7 and Russia [in Naples]. He did not comment on the current proposals on the resolution of the crisis in Bosnia-Herzegovina, but said that the situation will be discussed in detail at the Naples meeting.

Talks Between Ministers Reported

AU2706154494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jun 94

[Report by Stevo Latinovic on the talks between Bosnia-Herzegovina Prime Minister Haris Silajdzic and Italian Foreign Minister Antonio Martino in Sarajevo on 27 June—recorded]

[Text] [Latinovic] The visit by the Italian minister is part of a several-day tour in the furtherance of peace of the former Yugoslavia, so that Minister Martino's itinerary covers not only Sarajevo but also Zagreb and Belgrade. Apart from Prime Minister Silajdzic, today's talks were also attended by Foreign Minister Irfan Ljubijankic and Mariofil Ljubic, deputy chairman of the Bosnia-Herzegovina Assembly and chairman of the Constituent Assembly.

At the end of the talks, Antonio Martino and Dr. Haris Silajdzic gave statements.

[Martino in English with superimposed Serbo-Croatian translation] This is my first visit to your country. I was looking forward to visiting Sarajevo to see for myself the marks of war on this city. I wanted to meet the prime minister as soon as possible, to exchange views, and to find out what the perspective is for a complete and satisfactory solution to this crisis. I have now been

informed about the views held by the Bosnia-Herzegovina Government as to the solution to the crisis and the end of the war in the entire region.

We also discussed the coming summit of the G-7 in Naples. A constructive and satisfactory debate is expected to take place there on the Bosnian problem.

I look forward to coming to this city again in more peaceful times.

[Silajdzic] We are pleased to have received today the delegation of the Italian Government led by the foreign minister.

I will very briefly tell you what we discussed. Of course, we discussed peace and the work of the contact group. As for the contact group and the solutions that it will offer, we said that, first and foremost, the external borders of the Republic of Bosnia-Herzegovina as a 1000-year-old state cannot be open to discussion. What is open to discussion, what the contact group is doing, is the internal reorganization of the Republic of Bosnia-Herzegovina.

We added that the international community should not legitimize genocide as [words indistinct]. We said that we expected the international community to protect the external borders of Bosnia-Herzegovina with Serbia and Montenegro. That is where the main problem lies. We also said that we expected a lot from the coming G-7 summit in Naples on 8 July. These are countries that are the most responsible for the world order. Order cannot be maintained if aggression is allowed, if change of borders is allowed, if genocide is allowed, and so on. Therefore, we expect a lot from the Italian Government, we expect it to contribute to that summit, we expect it to give a constructive contribution. We have to turn a new page in history, to (enter a period) in which genocide and aggression will not be possible.

[Latinovic] Italian Foreign Minister Antonio Martino then went for a walk in the city. After that he was received by Dr. Mustafa Efendi Ceric, reis ul-ulema of the Islamic Community of Bosnia-Herzegovina.

Silajdzic Views Relations With Slovenia

AU2706153494 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 27 Jun 94

[Text] Bosnia-Herzegovina and its future market are becoming interesting for certain states that would like to take part in the country's reconstruction. Our correspondent Aleksander Mlac will tell us what Slovenia's place in this is and what attitude Sarajevo has toward our state:

[Begin Mlac recording] Bosnia-Herzegovina will never forget the positive attitude the state of Slovenia and the Slovenes have held on the crisis in our country. This is what Dr. Haris Silajdzic, prime minister in the Government of Bosnia-Herzegovina and of the Bosnian-Croatian Federation, said in a statement for Slovene radio. He assessed the relations between the two states as very good and at the same time pointed out that Slovene economy would be welcome in Bosnia, which has already begun preparations for the reconstruction.

Prime Minister Silajdzic also pointed out that the international competition on the Bosnian market is more satisfactory day by day. In an one-hour statement he made for Slovene Radio, among other things, Dr.Haris Silajdzic touched upon the refugee issue. He cannot promise Bosnian refugees a quick return home. One needs many preconditions for such a thing, above all peace.

Silajdzic sees peace between Bosniaks and Croats as the greatest achievement of the Bosnian-Croatian Federation. What is involved is a necessary compromise that has saved many lives. He sees the new government as not being burdened by party affiliations, being an expert body. [end recording]

Abdic Pledges To Set Up Resistance Front

LD2706145294 Pale Srpski Radio-Televizija Studio Sarajevo Radio in Serbo-Croatian 1300 GMT 27 Jun 94

[Text] Fikret Abdic, the president of the autonomous province of western Bosnia [APWB], told Velkaton Radio in Velika Kladusa this morning that the army of the autonomous province of western Bosnia is objectively not able to prove to the world the justness of its struggle against the brutal aggression of the rebel army loyal to Izetbegovic's authorities. Slavisa Sabljic has a report.

[Sabljic] Abdic said that the idea of autonomy was supported by Muslims in the diaspora, but not by the diplomatic authorities in Sarajevo which, via their primitive sympathizers, have opted for the war and the bloody quenching of our army's struggle for its own province and autonomy. The ignominious action and the rebels' offensive that began on 10 June had been prepared for months, Abdic went on to say and stressed that the offensive's final aim was to strangulate the province and liquidate the province's leaders. However, Abdic said, it is impossible to strangulate the province, there can only arise an all-people's resistance front, which we will organize.

Stressing the fabrications, media madness, and the lies that certain media spread to the international public, Abdic said at the end of his interview on Velkaton Radio that the REUTER agency blazed the trail in spreading lies about Muslim conflicts in the province. A REUTER team of journalists will soon arrive in Kladusa in order to, as Abdic put it, deny their own reports.

Abdic: Izetbegovic Trying To 'Liquidate' Rebels

LD2706210994 Belgrade TANJUG in English 2010 GMT 27 Jun 94

["Pool" item]

[Text] Banja Luka, June 27 (TANJUG)—The offensive of Moslem troops loyal to hardliner Alija Izetbegovic against the rebel Moslem autonomous province of western Bosnia is designed to stifle all life in the province and liquidate its leadership, says province President Fikret Abdic.

Abdic, Izetbegovic's moderate rival, told the local radio Velika Kladusa that he would organise a nation-wide resistance front against Izetbegovic's loyalists. He accused the Moslem regime in Sarajevo of a determination to crush the struggle of the army and people of western Bosnia for autonomy, which he said enjoyed the support of Moslems in the diaspora.

For months past, the army loyal to Izetbegovic has been trying to subdue the province, which was proclaimed by Abdic's supporters last September in opposition to the war-mongering policy of the regime in Sarajevo. The provincial leadership has signed separate peace accords with Bosnian Serbs and Croats, pursuing free trade with them even at the height of Moslem-Serb and Moslem-Croat fighting elsewhere in Bosnia-Herzegovina.

Serbs, Abdic Forces Continue Attacks in Bihac

AU2706143194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jun 94

[Report by Mirza Sadikovic from Bihac]

[Text] The defense lines on the Bihac and Bosanska Krupa fronts as well as on the Grmusko-Srbljanski Plateau have been exposed to incessant Chetnik shelling and sniper fire.

As for the members of Abdic's traitor phalange, there has been no change from the usual, despite the successive defeats suffered by that rebel scum. Last night they launched barbaric attacks straight after Fikret Abdic—in the steps of his hero Radovan Karadzic—announced some sort of a counteroffensive. From Liskovac, Rosic, and (Crkva), they have been shelling the newly liberated areas in the Cazin and Kladusa municipalities and, from the Kladusa area, they have been pounding with mortars and cannons (Golubovici), [words indistinct]. An entire sabotage group was captured during these attacks.

Abdic's warmongering headquarters has continued to arrest citizens in Velika Kladusa, and to terrorize them. Another request has been sent to international organizations for help in their protection, since these are people who do not want war and who reject the insane ideas of the self-proclaimed Kladusa leader.

Serbs Employ Tanks, Chemicals in Zavidovici

AU2806102494

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 28 June within its regular 5-minute newscast carries several reports about the situation in the republic.

A report by the 3d Corps Press Center read by an unidentified correspondent says that "Karadzic's threats that he will use full force and all means to attack the region defended by the units of the 3d Corps of the Army of the Republic of Bosnia-Herzegovina are coming true. The chetniks have been furiously assaulting the Zavidovici, [name indistinct], and the (?Tesanj)-Doboj defense lines." The report goes on to say that "throughout the day until late last night, [words indistinct] Chetniks were launching combined (?artillery)-infantry (?breakthroughs) with [word indistinct] defense positions on the Zavidovici front." "At about 1700, the chetniks began attacking in waves. Tanks were (?deployed) at the front. Chemical agents were discharged at our lines at (Mratinci). The chetniks (?were using) all available artillery, but everything was in vain."

"The chetnik artillery and (?infantry) were [word indistinct] on the Tesanj-Doboj region. A particularly large concentration of tanks has been observed in the region of (Gaganovici). The chetniks are preparing to attack our defense lines today, as a train full of fresh soldiers arrived in [name indistinct] yesterday."

A report by the Information Service of the 1st [word indistinct] of the 8th Mountain Brigade sent via the 1st Corps Press Center says that "on the Olovo front yesterday evening, the aggressor brought all his weapons and artillery into play. There was particularly fierce fire from infantry weapons, antiaircraft machine guns, and antiaircraft guns in the regions of Kozlovac, (Gradina), [name indistinct], Salikovac, and Golo Brdo. The defense lines and the suburbs were shelled at the same time. Early this morning, the defense lines came under attack from a battery of mortars (words indistinct] in the (Salikovac) region. There have been no casualties."

Hamiz Deronjic reports from the Brcko region that "early yesterday evening, the aggressor began mortar activities on the Brcko defense positions. Our lines at (Jukici), (name indistinct], and the central sector of the front were pounded. At the same time, the chetniks intensified their small arms fire at the [word indistinct] line of the front. The early morning hours saw no significant changes on the Brcko front. The strongest provocations occurred in the Vranovaca region, where the chetniks were operating with submachine guns and Broving guns."

Muslims Reportedly Continue Attacks on Serbs

LD2706162594 Belgrade TANJUG in English 1559 GMT 27 Jun 94

[Text] Zvornik, June 27 (TANJUG)—Bosnian Moslem forces have continued attacks on Bosnian Serb positions, further violating the one-month ceasefire that took effect on June 10, Bosnian Serb Army sources told TANJUG on Monday [27 June]. They said the heaviest Moslem attacks in the past 24 hours were in the areas of Doboj, Mt. Ozren in northern Bosnia and Mt. Vlasic in the central part of that former Yugoslav republic.

Early on Monday, Moslems opened artillery fire on Doboj, a strategically important Serb town in the Bosna River valley, with sporadic mortar shellings of Serb positions in the areas of Trebava, Mt. Ozren, Teslic and Gradacac around Doboj. Moslems also continued attacks on Serb positions and settlements near the Serb town of Brcko on the Sava River.

Moslems are still launching infantry attacks on Serb settlements of Ilidza, Nedzarici and Ilijas in the Sarajevo area, Bosnian Serb Army sources said. Bosnian Croats violated the ceasefire in the area of the Croat enclave of Orasje in northern Bosnia, where combined Bosnian Croat and Croatian Army troops are firing at Serb positions from small arms as well as anti-aircraft guns and mortars.

Croats also renewed attacks in the area between Dubrovnik and the Serb town of Trebinje in the Dubrovnik hinterland in southern Bosnia-Herzegovina.

Serbian Refugees Allowed To Leave Zenica

LD2806000494 Belgrade TANJUG Domestic Service in Serbo-Croatian 2157 GMT 27 Jun 94

[Text] Belgrade, 27 Jun (TANJUG)—A group of 260 Serbs from Zenica crossed to the territory of the republic of Srpska at border crossing in Cekrcici around 2030 this evening. The convoy was delayed eight hours because, as the released Serbs from Zenica said, the Muslim soldiers redirected the vehicles from the main road to travel through the Lasva river canyon where the Serbian civilians were maltreated and robbed. Following a short breather in Ilijas, as SRNA news agency has reported, the Serbian civilians around 2200 set off in vehicles of Canadian UNPROFOR battalion towards a reception centre in Sokolac.

Izetbegovic Adviser Predicts 'Liberation'

AU2806102294 Vienna KURIER in German 28 Jun 94 p 5

[Interview with Kemal Muftic, adviser to Bosnian President Alija Izetbegovic, by unidentified KURIER correspondent in Sarajevo; date not given: "'If the Serbs Do Not Withdraw, We Will Liberate Ourselves'"]

[Text] [KURIER] Is the Muslim-Croat Federation working?

[Muftic] Yes, it is working well. The fighting between the two armies has been reduced. It is not easy to defend Bosnia because the destruction was well prepared. But we believe in Bosnia.

[KURIER] In the United Nations' plans, the Federation is based on 51 percent of the territory. But you have only 30 percent....

[Muftic] Bosnia does not mean 51 percent, but 100 percent.

[KURIER] The Federation only includes the Muslims and Croats. Would you consider yourself represented by it if you were a loyal Serb?

[Muftic] Yes. The Serbs must understand the political realities. The Federation is a political process that has stabilized the situation. Now Karadzic's Serbs cannot make any more conquests. The war has turned from a war of defense into one of liberation. The army is getting larger every day, morale is high—but logistics are lacking.

[KURIER] The Bosnians want to achieve a lifting of the arms embargo. Would this not mean another outbreak of war?

[Muftic] It was the imbalance of forces that led to the war. Without the embargo we could have stopped the aggression right at the beginning.

[KURIER] Do you want to liberate the territories occupied by the Serbs?

[Muftic] The Serbs only understand the language of violence. Either the aggressor's army withdraws—or we will liberate ourselves. If the international community does not stop the Serbs, we will have no other choice.

[KURIER] Is there a Bosnian ultimatum to the international community?

[Muftic] That is top secret.

Bobetko Threatens To Expel UNPROFOR

LD2706155294 Belgrade TANJUG in English 1526 GMT 27 Jun 94

["Pool" item]

[Text] Zagreb, June 27 (TANJUG)—Croatian Army Chief of Staff Janko Bobetko said United Nations peacekeepers would be expelled unless they help Zagreb to impose its rule in the territory of the republic of Serb Krajina. The region became a United Nations protected area in March 1992 after having earlier declared independence from Croatia. The republic of Serb Krajina's late 1991 declaration of independence followed Croatia's secession from Yugoslavia and the removal of Serb national rights from the Croatian Constitution.

Speaking in Sisak near the border with Serb Krajina, Gen. Bobetko said Zagreb would expel the peacekeepers if they did not help reintegrate the Krajina region into Croatia, the Croatian press wrote Monday. "Croatia will in that case do it alone," said Bobetko.

Under a plan proposed by former U.N. envoy Cyrus Vance, UNPROFOR [UN Protection Forces] forces were to remain in the Krajina region until a political settlement was achieved between Croatia and the republic of Serb Krajina. Croatia, which does not recognize the Serb republic, considers the region "occupied territory" and has attacked it in three offensives since March 1992.

Bobetko and Tomislav Mercep, a ruling Croatian Democratic Union member of the Croatian Parliament, have announced plans for a new offensive on the Serb republic. Mercep is the leader of a Croatian paramiltary formation that has been accused by Serb officials of committing numerous war crimes.

The Croatian press quoted Mercep as saying he would organize Zagreb demonstrations in September by about 100,000 members of the Croatian Army and police "ready to liberate all occupied Croatian territories."

"If the Serbs refuse to accept Croatia's Constitution, I will personally issue an order to liberate Knin and so devastate it that no two stones will be left standing on top of one another," said Mercep at a recent meeting in the Port of Pula.

During the 1991-1992 Croatian war of secession, Mercep led a 500- member special police unit that was reported to have killed at least 2,500 Serb civilians in western Slavonia.

Tudjman Holds Talks With Italy's Martino

LD2706213894 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 27 Jun 94

[Text] Croatian President Franjo Tudjman this afternoon received Italian Foreign Minister Antonio Martino, who is paying an official visit to the Republic of Croatia at the head of a delegation of the Italian Ministry of Foreign Affairs, the president's office said in a statement.

The talks focused on numerous issues relating to bilateral relations between the two states, particularly to the problem of the areas of the Republic of Croatia under Serb occupation and the resolution of the crisis in Bosnia—Herzegovina. Convergence of views was expressed regarding the resolution of some bilateral issues on the basis of friendly relations and mutual interests of both countries. Minister Martino's visit today provides guarantees for better political and economic relations between the two countries to be achieved through the spirit of the best possible understanding, the statement says.

Attempts should be made to resolve the crisis in Bosnia-Herzegovina in a peaceful way. It was stated in this context that steps by the so-called contact group countries and a meeting of the G-7 and Russia which is to take place in Naples at the beginning of next week are hopefully awaited. Hope was also expressed that the Serb occupation of areas of the Republic of Croatia would be resolved in a peaceful way through the reintegration of these areas into the state and legal system of the Republic of Croatia. The Republic of Italy will try to lend all its possible support in this respect by using its influence, the statement says in conclusion.

Martino, Granic Discuss Issues

LD2706162394 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 27 Jun 94

[Passages within quotation marks are recorded]

[Text] Talks between Mate Granic, Croatian deputy prime minister and minister of foreign affairs, and Italian Foreign Minister Antonio Martino ended in Zagreb a short time ago. Minister Martino is leading a delegation of his government which is paying a visit to the Republic of Croatia. Tihomir Vinkovic has a report:

[Vinkovic] Mate Granic, Croatian deputy prime minister and minister of foreign affairs, had talks at the Ministry of Foreign Affairs in Zagreb this afternoon with Italian Foreign Minister Antonio Martino. Following the talks Italian Minister Martino stated that their talks were cordial and informative and added:

[Martino, in Italian with superimposed Serbo-Croatian translation] "I had an opportunity to hear the Croatian Government's opinion on the situation in former Yugoslavia and the prospects for peace. This information is valuable to us ahead of the forthcoming meeting of the G-7 and Russia in Naples. As regards bilateral relations, I am extremely pleased with the constructive approach displayed by the Croatian side. I also hope that these talks will be put into practice."

[Vinkovic] Following the talks Croatian Foreign Minister Mate Granic stated:

[Granic] "We had a friendly and useful meeting which focused on the situation in the region, on the situation in the occupied areas of the Republic of Croatia and prospects for peaceful reintegration, on the situation in Bosnia-Herzegovina and the prospects for peace there, on forecasts regarding the proposal by the contact group, whether it will be accepted or not, and on prospects for peace or war in Bosnia-Herzegovina. In every case Croatia supports the negotiated peaceful option, as this offers the chance to restore peace in the entire region.

"We also had talks about bilateral relations, the process of integration of the Republic of Croatia into Europe. We would like to thank Italy for its support to the Republic of Croatia in the process of its European integration. This primarily refers to an economic agreement with the European Union [EU] and its admission to some EU projects, such as PHARE [Aid to Poland and Hungary for Economic Reconstruction], the (TEMPUS) program, and finally, our goal is associate membership of the EU.

"As regards our bilateral relations, i.e. protection of the Italian minority, Croatia will observe all their existing rights and the best European standards; we are also ready for a bilateral agreement with the Republic of Italy."

[Vinkovic] The Italian foreign minister will also be received by Cardinal Kuharic. This evening he will be received by Croatian President Dr. Franjo Tudjman.

Martino Says Talks 'Useful'

LD2706221994 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 27 Jun 94

[Text] Before his talks with President Tudjman, Antonio Martino met his Croatian counterpart Mate Granic and Cardinal Franjo Kuharic. He gave a news conference this evening. Tihomir Vinkovic reports:

[Vinkovic] The Italian foreign minister described his talks with President Tudjman and Foreign Minister Granic as cordial and useful.

[Begin Martino recording, in Italian with superimposed Serbo- Croartian translation] Both sides confirmed their willingness to strengthen the already good relations, and to overcome current difficulties. It is necessary to establish a joint commission to resolve these issues.

Problems of reparations to the Italians who left Croatia after World War II as well as the question of the Italian minority have to be resolved through talks. Italy will—by resolving the current difficulties and reaching bilateral agreements—help the integration of Croatia and Slovenia into the European Union economic system. [end recording]

[Vinkovic] He was optimistic regarding the resolution of the issue of Bosnia-Herzegovina and Croatia. The forthcoming meeting in Naples of the G-7 and Russia is important in this respect. Antonio Martino described the role of Russia in resolving the problems in southeast Europe as constructive.

RSK's Mikelic Accepts Invitation From Fini

AU2506143594 Belgrade BORBA in Serbo-Croatian 24 Jun 94 p 12

[Report by Srdjan Radulovic: "Borislav Mikelic Is Preparing To Travel to Trieste"]

[Excerpts] The recent invitation by Gianfranco Fini, leader of the Neo-Fascist Union of Italy, to the Krajina prime minister, Borislav Mikelic, to meet in Trieste and discuss current political issues has caused suspicion in Zagreb and attracted the attention of political circles in the West. The revival of the Krajina authorities' links with certain Italian politicians almost coincides with the assertions that the National Union in Berlusconi's coalition "team" is in fact the one that is indirectly "promoting" territorial pretensions toward Istria, which is directly manifested by demands for the revision of the Osimo Agreements. This was why new Italian Foreign Minister Antonio Martino said, first in Bonn (!), and then in the House of Representatives of the Italian Parliament, that "Italy does not have territorial designs on Slovenia and Croatia."

The Krajina authorities, pressed by accusations that they are responsible for the failure of the negotiations [with Croatia] and by Croatia's threats that it will not extend the mandate to UNPROFOR [UN Protection Forces] after 30 September, responded quickly to Fini's invitation.

"Mikelic has accepted the invitation and we will maintain contacts with Italy at the levels at which this is possible. In any case, we have been pleasantly surprised by the invitation, because this is a signal that the RSK [republic of Serbian Krajina] has become a subject in international relations, even though it has not been recognized." This was stated for BORBA by Slobodan Jarcevic, president Martic's adviser for foreign affairs and foreign minister in the previous government.

The first Krajina-Italian contact at a "higher level" was established last September, when socialist Arduino Agnelli attended the session of the Krajina assembly, which declared him (and his wife) a "honorary citizen of the RSK." [passage omitted]

Mr. Agnelli told us that many members of the European Parliament held the view that the alteration of borders that was allowed in 1991 would not be frozen on the "AVNOJ" [Antifascist Council of National Liberation of Yugoslavia] borders of the former Yugoslav republics. He assured us that Europe realized that the ethnic rights of the Serbs are their historical rights, and that the right to self-determination is stronger than formal communist borders, drawn without taking into consideration any historical or ethnic principles. This was the first encouragement from the Italian side that the RSK's destiny

would not be subordinated only to 'AVNOJ' borders and the UN Security Council's resolutions," Jarcevic said.

Apart from Fini's message of support to the Krajina assembly at the end of last year, there have been no contacts or exchange of messages until the recent one that attracted public's attention. Two visits by Slobodan Jarcevic to Italy did not receive much publicity. In Italy, he met the representatives of the Association of Expelled Italians from Istria and Dalmatia and with Italian intellectuals in Milan and Trieste. [passage omitted]

Zagreb Reportedly No Longer Supporting Abdic

AU2706183994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 27 Jun 94

[Report by Nada al-Isa from Zagreb]

[Text] Fikret Abdic, the rebel from the Cazin Krajina, can no longer count on any support from Zagreb. He has not had it for some time now. We were told this today exclusively for Radio Television Bosnia-Herzegovina by one top-level official in the presidential palace in Zagreb, who wished to remain anonymous. We can only say that he is a very well-known and respected politician in Zagreb, even though he is perhaps not the most popular one.

Even the Serbs from the so-called Krajina have repudiated Abdic, although just a year ago—when he proclaimed autonomy—they signed an agreement on military aid. However, according to the information in Zagreb, now they send him almost no aid, or so little that he can do nothing with it against the Bosnia-Herzegovina Army, that is, its 5th Corps, our source claims.

The doors to Zagreb have been closed to Abdic since the Washington Agreement. Our source says: The autonomy proclaimed in principle in western Bosnia is nearing its end. Abdic danced his dance of death around Kladusa and Bihac for only one summer. According to the information on the successes of the Bosnia-Herzegovina Army 5th Corps, all of western Bosnia will soon be under the Sarajevo authority, says our reliable source from the presidential palace in Zagreb. If they knew who he was, both Fikret Abdic and President Tudjman would probably get headaches.

Tudjman Appoints Envoy for Contact Group Talks

LD2706141894 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 27 Jun 94

[Text] On the basis of Article 99 of the Constitution of the Republic of Croatia, President of the Republic Franjo Tudjman has appointed Miomir Zuzul, the ambassador of the Republic of Croatia at the United Nations in Geneva, as special envoy of the president of the republic at the negotiations and work with the contact group and other representatives of the international community.

Official Gives Statement on Talks With Serreqi

LD2506170594 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 25 Jun 94

[Text] As part of the two-day visit to Dubrovnik of the diplomatic corps accredited to Albania, talks were held in Dubrovnik's Argentina hotel this afternoon between Croatian Deputy Foreign Minister Ivo Sanader and Albanian Foreign Minister Alfred Serreqi. After the talks Ivo Sanader gave the following statement:

[Begin Sanader recording] It is true, as Albanian Foreign Minister Serreqi said, we have met several times before, the last time at the Crans Montana forum in Bucharest where we exchanged our governments' official stands and viewpoints regarding the crisis in the entire territory of southeastern Europe. Our talks now were very pleasant and interesting and to us also necessary, because we will put forward a request to the UN General Assembly—as our public already knows—to include the peaceful reintegration of the UNPA [UN Protected Area] into the Republic of Croatia on the agenda of a session scheduled for the third week of September.

For this item to be included in the agenda we will need help from all countries and all our friends. To this aim our Minister Granic sent Minister Serreqi a letter of support [as heard]. We hope—and we discussed it today—that Albania will support this request by Croatia. I can say that the minister promised us something of this kind.

This was one issue. Another one concerned bilateral relations and the situation in the region, in both Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and Kosovo, and especially expectations linked with the plan that the Contact Group will present at the beginning of July. I briefed the minister on our stand regarding this matter and we agreed on the whole about the key issues and ways in which the crisis in Bosnia-Herzegovina should be resolved. [end recording]

Arrival of Turkish Troops Postponed

TA2806113194 Ankara ANATOLIA in English 1000 GMT 28 Jun 94

[Text] Split, Croatia June 28 (A.A.)—The transfer of Turkish troops to Zenica, Bosnia-Herzegovina, was postponed today because of problems concerning the renting of living quarters for the troops. All preparations for the transfer have been concluded.

The first group of Turkish forces which will join the UN peacekeeping forces arrived in Split June 22. The second contingent left for Split, on June 24.

The first contingent brought with it 260 tons of weapons and equipment, 50 small vehicles, 139 large vehicles, armored personnel carriers, and 19 trailers.

Army Chief of Staff: War 'Not Over Yet'

AU2506142594 Zagreb VJESNIK in Serbo-Croatian 17 Jun 94 p 6

[Report by Zeljko Buksa on speech of Army General Janko Bobetko in Zagreb on 16 June: "We Will Probably Have to Force the Occupying Forces Out!"]

[Text] The beginning of the education of the fourth generation to attend officers school at the Petar Zrinski Croatian Military College in Crnomerec, Zagreb, was celebrated on Thursday [16 June]. According to Brigadier Miroslav Jezercic, the college commander, this generation includes 400 soldiers who have proven their abilities in the homeland war and will broaden their knowledge acquired in the war so as to discharge their future tasks with even more success.

The college cadets were addressed by Army General Janko Bobetko, the-Croatian Army chief of staff. He first remarked that among those attending the college there were members of the HVO [Croatian Defense Council], which is now part of the Army of the Bosnia-Herzegovina Federation.

Then he pointed out that the members of the Croatian Army had caused several incidents in small towns, which sometimes even the directly responsible commanding officers had tried to cover up.

"Nothing will make the Croatian people as angry as impertinent and violent behavior by Croatian officers, because they do not expect it from them. Such actions will not get us very far. We should understand that many people have lost relatives and friends in the war, which is why they are sometimes depressed. However, the Croatian people have entrusted you with their sons, and you are responsible for them, and every wrong move that you make ruins the image of the Croatian Army. This is why discipline should constantly be increased and everything should be done to avoid such incidents," General Bobetko emphasized.

Speaking about the present situation in Croatia, the chief of staff said that the war was not over yet. "There are several hundred thousand people who are still not in their homes, and they have been demanding increasingly often to return to their towns, so we will probably have to force the occupying forces out of Croatian territory. What we attack we absolutely must occupy, because there can be no more excuses. Therefore, learn as much as possible so that you can carry out all the tasks that you will be assigned," General Bobetko told the cadets at the officers school.

"No one has the right to a position for which they are not qualified any longer, and there will be no more cheating as there was at the beginning of the war, when the Croatian Army consisted of volunteers. There will be no more leniency or arbitrariness. The enemy, with whom we will square our accounts, must know that the Croatian Army is capable of carrying out anything that it is asked to. We have a lot of work ahead of us," said General Bobetko at the end of his speech.

Ethnic Albanians Jailed for 'Hostile Activity'

LD2706135994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1306 GMT 27 Jun 94

[Text] Skopje, 27 Jun (TANJUG)—The council of the second municipal court in Skopje, chaired by Ljubomir Jovevski, today pronounced sentences on a group of Albanians who took part in organizing paramilitary formations in Macedonia [FYROM—The Former Yugoslav Republic of Macedonia] and smuggling arms via Albania. The court passed sentences between five and eight years in jail.

The defendants have been sentenced for associating in order to engage in hostile activity. Mithat Emini, secretary general of the PDP [Party of Democratic Prosperity] with headquarters in Tetovo and Hasan Agusi, were sentenced to eight years in jail. Ejupi Rezni, Selam Elmazi, and Sinasi Redzepi to seven years in jail; Husein Haskaj, Macedonian deputy defense minister, Akif Demiri, and Abdiselam Arslani to six years in jail; and Burim Murtezani and Eugen Cami to five years in jail. Agusi will be expelled from Macedonia after his term in jail.

Under the indictment, all of the accused associated to engage in hostile activity, and they had clear aims and tasks to topple the fledgling Macedonian state. Emini, Agusi, and Haskaj were the ringleaders in this hostile activity.

The indictment says that the accused formed "a HQ of national defense," and Emini was candidate for the commander. They set up a state-of-the-art computer center and had a courier service in operation. They also began to draw up a program of setting up paramilitary units in Kumanovo and towns in western Macedonia.

NDP Calls For 'Federalization' of FYROM

AU2706161094 Skopje MIC in English 27 Jun 94

[Unattributed report: "NDP Proposing Federalization of Macedonia"]

[Text] The annual conference of the National Democratic Party [NDP] (ethnic Albanians) held in Tetovo last Saturday [25 June] finished with an adoption of a 9-point memorandum. NDP is not satisfied with the democratic processes going on in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], particularly since the disintegration of Yugoslavia. This party is emphasizing that the Albanian people have been deprived of the right for self- orientation, although they are the third largest nation in the former Yugoslavia.

The memorandum condemns the manipulations by the government in relation to the census of the population. The NDP concludes that these manipulations are aimed at discrediting the Albanian political factor before the international institutions, as well as its further splitting apart.

The NDP underlined the government's responsibility for the further building up and functioning of the state and community institutions on a one-national basis. This, the NDP believes, legalizes the political discrediting and tolerance of the advents of neofascism. Otherwise, the NDP is pushing for a federalization of Macedonia and the formation of an autonomous region Ilirida in Macedonia.

Guests from the PDP fraction were also present at the conference, as well as representatives from the Demo-Christian Party of Kosovo and the Democratic Party and Social Democratic Party from Albania.

Work by Albanian Census Takers Delayed

AU2706161294 Skopje MILS-NEWS in English 27 Jun 94

[Unattributed report: "Census 1994"]

[Text] Even five days after the census began, the situation has not essentially changed, especially in regions inhabited mostly by Albanians (Tetovo, Gostivar). Communal census instructors and clerks are still awaiting their political leaders' views before they go out and do their job. Local census committees insist on having only Albanian census clerks in "pure ethnic regions." Due to the delay, they also request postponement of the operation for as many days as it has thus far been put off.

The census is carried out normally in all remaining cities. As the Macedonian television reports, the State Statistics Institute informs that 338,599 citizens, 98,593 households, 104,155 apartments and 39,430 farms have been registered up to June 29, inclusive. Parallel with the census in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] is the census of Macedonians throughout the world who have valid documents, regardless of the date of issuance. This operation is carried out in 10 foreign countries in which Macedonia has diplomatic offices, in three countries in which it has only representative offices, and all countries whose authorities gave permission for the census to be realized. Reports from these countries indicate a need of prolonging the deadline. Some sources inform Macedonian citizens of Albanian origin in Switzerland and Germany have announced their intention to boycott the census. No census of Macedonians was allowed in Federal Yugoslavia by the authorities there.

Transportation Agreement Signed With Albania

AU2706164894 Skopje MILS-NEWS in English 27 Jun 94

[Unattributed report: "Changes in Road Traffic With Albania"]

[Text] Starting 1 July, the traffic between Albania and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] will be facilitated—drivers will only be required transport licenses. This was agreed on in

Ohrid, during the recent meeting between road traffic experts of the Albanian Ministry for Transport and Communication and the Macedonian Ministry of City Planning, Construction, Traffic, and Ecology. All Macedonian transporting firms will be exempted from paying road taxes and tolls. The first contingent of 5,000 transportation licenses, bilateral and transit, as well as 100 licenses for transportation to and from third countries, is already being distributed.

At the Ohrid meeting, the two sides also signed a draft agreement on international transport of passengers and goods through both countries. The agreement was signed in Albanian, Macedonian, and English. The Albanian side, however, had remarks on the name of Republic of Macedonia being used in the text, so they introduced a special clause on the agreement coming into effect after the additional consultations on the problem.

Drnovsek Accepts Justice Minister's Resignation

AU2706144794 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 27 Jun 94

[Text] We have just learned that Prime Minister Janez Drnovsek has accepted the resignation of Justice Minister Miha Kozinc. In the coming days, the prime minister will inform the State Chamber about this and propose a new candidate for justice minister. The prime minister has asked the relevant government expert services to prepare a statement for the next government session and an assessment of the work of the Housing Commission, as well as to prepare guidelines for forming and adopting all necessary documents regarding the problem. This was said in the public announcement the prime minister's Cabinet has just issued.

Military Cooperation With Austria, Hungary

94P20917A Ljubljana DNEVNIK in Slovene 18 Jun 94 p 32

[Article by Miran Subic: "Our Soldiers in Austria"]

[Text] Kranj, 18 June—History is being made today as the Slovene Army is about to step on Austrian soil without commotion. The "Chamois" (so named for their unit insignia) from Upper Carniola will not be there as a purely military force but to cooperate with the 7th Chasseur Brigade from Klagenfurt, thereby contributing to good relations between the two states.

Ten privates and 22 commissioned and noncommissioned officers will take part in the 48-km long Rosenthal March. This is the first time that Slovene uniformed army personnel are participating in such an event abroad.

Next week, 16 Hungarian officers will arrive at Bohinjska Bela to familiarize themselves with tactics and the use of mountain and alpine equipment in mountainous terrain. Although mountainous warfare is not especially developed in Hungary, this kind of training is a valuable form of international cooperation (in keeping with the saying "Hungary does not have a sea, however, it does have a navy"). Our excellent alpinists will take part in training, which will culminate in our Hungarian guests "capturing" Mount Triglav.

Federal

Government Statement on Developments in Bosnia

LD2706175894 Belgrade TANJUG Domestic Service in Serbo-Croatian 1558 GMT 27 Jun 94

[Text] Belgrade, 27 Jun (TANJUG)—"The Government of the Federal Republic of Yugoslavia [FRY] expresses utmost concern over a dangerous deterioration of the situation in former Bosnia-Herzegovina caused by constant offensive actions by the Muslim-Croat forces. The FRY Government expects that the UN Security Council [UNSC] will without delay take appropriate measures to prevent consequences that further negative developments could have on the peace process in former Bosnia-Herzegovina.

"At this crucial time it is a prime responsibility and obligation of the UNSC to ensure that a realistic chance to reach a peaceful solution of the conflict in former Bosnia-Herzegovina is not missed. If, however, this opportunity is missed, this would bring about an inevitable escalation of the conflict with all unforseeable consequences," a statement by the FRY Government, made available to TANJUG, says. It adds:

"The FRY Government finds the current stage of the negotiations, which should lead to a solution of the crisis caused by the civil war in former Bosnia-Herzegovina, crucial. Active participation of the most important international powers—the United Nations, EU, United States, and Russia—in the search for a lasting political solution, acceptable to all three sides in the conflict, gives rise to hope that this tragic civil war will soon be stopped, which would in turn create conditions for the resolution of some other important questions in the former Yugoslavia.

"The FRY Government expects that full advantage will be taken of the current favorable period and is making efforts towards contributing in a concrete manner to this effect. Motivated by the desire to have a lasting peace in former Bosnia-Herzegovina reached as soon as possible, the FRY Government has welcomed the recent agreement on ending military operations between the belligerent parties in former Bosnia-Herzegovina. However, an agreement on overall and lasting cease-fire would be a real proof that all parties in the conflict are indeed committed to a lasting, just peace and a political solution to the crisis.

"All the developments that ensued following the signing of the agreement on 10 June 1994 indicate that not all sides in former Bosnia-Herzegovina wish to accept a peaceful solution. The setting- up of the Muslim-Croat federation in former Bosnia-Herzegovina flared up ambitions of the radical Muslim leadership in former Bosnia-Herzegovina to persist in its orientation for a military settlement. Relying on the unprecedented media support based on untruths, and also on a strong support lent by certain international circles, the Muslim-Croat side has been abusing the agreement on the cessation of military operations and has openly been preparing a large-scale military offensive, which is confirmed in UNPROFOR [UN Protection Forces] reports. These reports show, among other things, that the Muslim-Croat forces, despite the current embargo, have been allowed an unhindered supply of a large quantity of the most up-to- date weapons. All the activities of the Muslim-Croat side involving regrouping forces and other offensive actions, by which the signed agreement is violated, are hereby most vehemently condemned by the FRY Government.

"The regrouping of their forces, with the continuous intensification of armed activities aimed at provoking the continuation of the war, represent a flagrant violation of the concluded agreement and can seriously threaten all efforts hitherto made to restore peace in former Bosnia-Herzegovina. The Muslim- Croat forces recently began carrying out heavy offensive actions against the Bosnian Serb positions, their towns, along almost all frontlines, which has caused numerous civilian casualties and huge material damage.

"Despite all the aforementioned, it is encouraging that the Bosnian Serb forces have so far retaliated in a restrained manner to the Muslim-Croat offensive actions, thus preventing the current military operations in former Bosnia-Herzegovina from turning into a conflict of widest proportions.

"The FRY Government this time again wishes to stress that a permanent peace in former Bosnia-Herzegovina can be achieved through negotiations alone, and is calling on the international community to exert pressure and demand from those violating the agreed cease-fire to halt their military activities immediately and accept peace as the only option without delay," the Yugoslav Government's statement says in conclusion.

Cease-Fire Violations Cited

LD2706222494 Belgrade TANJUG in English 2129 GMT 27 Jun 94

[Text] Belgrade, June 27 (TANJUG)—Moslem-Croat forces in Bosnia-Herzegovina are seriously violating the June 10 ceasefire, the Yugoslav Government said in a statement on Monday.

The government invited the U.N. Security Council to take urgent measures to avert consequences which the continued negative development might have for the peace process. Quoting instances of ceasefire violation, the Government of Yugoslavia (Serbia/Montenegro) said in an annexe to its statement that Moslem forces were constantly provoking incidents by opening artillery fire on positions of the Bosnian Serb Army and civilian targets.

A number of civilian facilities have been destroyed and there have been casualties among the civilians, which have been particularly heavy in the area in Brcko, East and West of Vozuca, the suburbs of Teslic and in Doboj

(all in the north) and in Srbobran and the adjacent territories (in central Bosnia). Moslem forces have occupied a number of Serb villages, the government said in the annexe.

Bosnian Croat and Moslem forces are relocating substantial formations north and south of the Posavina corridor in the Sava River valley in the north, which links the east and west of the Bosnian Serb republic. Neighbouring Croatia is concentrating troops in the area of Zupanja and Slavonski Brod on the border with Bosnia, the annexe said.

South of the corridor, in the direction of Brcko, the Moslems have concentrated five brigades and six battalions brought in from the U.N.-designated 'save haven' of Tuzla in the northeast, totalling 18,000 troops, 25 tanks and between 50 and 60 artillery weapons of calibres larger than 100 mm, the annexe said.

Against Doboj and Modrica, the Moslems have lined up five brigades and two battalions, totalling 11,000 troops, 20 tanks and between 30 and 40 big-bore artillery weapons, while strong Moslem forces are concentrated against Teslic in the north.

Furthermore, the Moslems are unlawfully using markings of the U.N. Protection Force (UNPROFOR), the Yugoslav Government said, specifying that the Moslems have painted white two helicopters in Sarajevo and three in Zenica in central Bosnia, and have used them to ferry arms and military equipment as well as troops to their forces confronting Bosnian Serb positions.

Bosnian Croats, too, have relocated troops from the south to Kupres and Zepce in central Bosnia, and have concentrated 10,000 troops, reinforced with several battalions of new recruits from neighbouring Croatia, on the bridgehead at Orasje, north of the Posavina corridor, the statement said.

UNPROFOR has been officially informed about the incidents, and could witness on the ground the unjustifiable behaviour of the Moslem forces, which runs contrary to the ceasefire agreement. UNPROFOR officials have assured Bosnian Serb Army representatives that they would inform their commands about the matter, the Yugoslav Government said in the annexe to its statement.

Kontic Holds News Conference on Economy, B-H

AU2706154794 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 27 Jun 94

[Report by Mirjana Protic]

[Text] Speaking at a news conference today, Federal Prime Minister Radoje Kontic conveyed to the journalists the government's view that the economic policy and the economic recovery program for this year are being successfully implemented. Foreign currency reserves have been increased, the gold reserves are not being used. The Federal Government has adopted a decision to mint a gold coin. It has also issued a statement regarding the latest events in the former Bosnia-Herzegovina, which warns, among other things, the United Nations and the Security Council that the Muslim-Croatian forces are stepping up their attacks. Mirjana Protic reports:

[Protic] Immediately after the session of the Federal Government, Prime Minister Radivoje Kontic held a news conference in the Palace of the Federation at which he expressed the most important details regarding the work of the government in the past week. At a joint session of the Federal Government, the heads of the republican governments, and the governor of the National Bank of Yugoslavia [Dragoslav Avramovic], the participants discussed the realization of the program of economic and monetary stabilization and the economic recovery of the country.

Within its constitutional powers, the Federal Government also discussed the realization of the economic policy for this year. Prime Minister Kontic conveyed the Federal Government's assessment of how the program is being realized.

[Begin Kontic recording] In the realization of the economic policy this year, positive trends have been noted in all sectors, in almost all sectors of production. In brief, what is this reflected in? First of all the stability the dinar has been preserved. This is best reflected through the retained parity of one to one [not further specified], even though we had in the meantime several attacks, several attempts to destabilize the dinar. However, we responded successfully to all these attacks.

I would say that the stability of prices has been maintained, with some occasional fluctuations. So, for instance, when I was here last time, I think I expressed dissatisfaction with the way prices were increasing in the agricultural sectors. In the third week of June, prices went up by as much as 2 percent. Explaining this increase, I said at the same time that next week, considering the causes of the price increase, prices of agricultural products would fall. I can say with great pleasure that last week, in comparison with the previous week, there was a general fall in prices amounting to 1.9 percent. [end recording]

[Protic] Prime Minister Kontic then stressed that the foreign reserves of the National Bank of Yugoslavia have been increased, and that gold reserves are intact. Positive trends have been recorded in the rate of increase of production.

Prime Minister Kontic also spoke to the journalists about the situation in the Nonaligned Movement. The direct motive for that was the behavior by certain countries and the failure to invite the Federal Republic of Yugoslavia to take part in the recent conference in Cairo. The Federal Government has concluded that the Non-Aligned Movement has not managed to adapt itself to the new conditions in the world. Room has been left

for some Islamic countries to exert their influence. Prime Minister Kontic said that there are some exceptions. However, the status of the Federal Republic of Yugoslavia as an equal members has been denied. The official document on Bosnia-Herzegovina reflects the aggressive policy of the Muslim countries, as well as (?incorrect) picture of the events in this region.

The Federal Government has concluded that Yugoslavia should retain its membership in the movement as the withdrawal from the Nonaligned Movement would be a concession to some Islamic countries that are demanding it.

The Federal Government has also adopted a special statement on the latest events in Bosnia-Herzegovina. The international community, the United Nations, and the European Union have been warned about the general deterioration of the situation, primarily because of the attacks by the Muslim forces. The FRY [Federal Republic of Yugoslavia] Government expects the Security Council to take all the necessary measures so that the peace chance is not missed. Otherwise, there could be unforeseeable consequences and the war could escalate.

Journalists were informed that the Federal Government has adopted a decision on minting a gold coin to mark the 110th anniversary of the National Bank of Yugoslavia. These gold coins will be used to purchase agricultural products, above all, wheat. The National Bank of Yugoslavia will set the price of the gold coins. On one side, the coin portrays a dove of peace and an olive branch, while the other has the coat of arms of the FRY and the old building of the National Bank of Yugoslavia.

Replying to journalists' questions, Prime Minister Kontic said that a sufficient amount of money would be secured to purchase wheat. The Federal Government also adopted a decision to adjust the salaries in state organs, the public sector, and all noneconomic activities to the salaries in the industry that are linked to the rise in production.

Assails Exclusion From Cairo Meeting

LD2706205994 Belgrade TANJUG in English 1945 GMT 27 Jun 94

[Text] Belgrade, June 27 (TANJUG)—The Yugoslav Government takes the position that Yugoslavia's exclusion from the Cairo nonaligned ministerial conference earlier this month was unprecedented in the history of the movement and cast a shadow on its democratic character, the Yugoslav premier said on Monday.

"We have requested that the Cairo document include our reservations in the section dealing with the former Yugoslav republic of Bosnia-Herzegovina, which we shall distribute via the Yugoslav mission in New York to the movement member-states and demand that it have the force of a U.N. document," Prime Minister Radoje Kontic told a press conference.

Egypt, which hosted the June conference, barred Yugoslavia (Serbia/Montenegro) from participation, in a decision unprecedented in the movement's annals.

The Yugoslav diplomacy saw this as a manipulation of the rules of procedure because of a fear that Yugoslavia's presence might substantially alter the climate at the conference, especially as regards the Bosnian crisis, which would not have suited the book of Egypt and many another Islamic state. In order to avoid this, they have, regrettably, aligned the movement behind one of the Bosnian warring sides, viz. the Moslems.

The government took the position that Yugoslavia should retain its membership in the movement, regardless of its virtual suspension as a result of the manipulations and violation of rules of procedure which resulted in its not being invited to the Cairo conference, said Kontic.

Yugoslavia's membership has virtually been suspended not as a result of a true consensus of opinion among the member-nations or of any concrete decision, but as a result of manipulations and outside pressure by individual militant Islamic countries, he said.

The government has instructed the Foreign Ministry to draft the country's long-term platform on the movement which would serve Yugoslavia's interests, upgrade its international position and help lift the sanctions which the international community clamped on Yugoslavia in 1992 for its alleged involvement in the Bosnian war, and in addition help the movement adjust to the new conditions of a non-bloc world.

Views 'Deterioration of Situation'

LD2706204394 Belgrade TANJUG in English 1831 GMT 27 Jun 94

[Text] Belgrade, June 27 (TANJUG)—The Yugoslav Government on Monday expressed utmost concern over a dangerous deterioration of the situation in the former Yugoslav Republic of Bosnia-Herzegovina, caused by continued offensive operations of Muslim-Croat forces, and it called for an urgent U.N. Security Council action.

Federal Prime Minister Radoje Kontic quoted at a news conference, held after the federal government session, a statement in which the government said it expected of the U.N. Security Council immediately to take necessary measures to avoid consequences which a further negative development of events could have for the peace process.

The Yugoslav Government statement said that, at the present crucial moment, it was the primary duty and responsibility of the Security Council not to permit a real chance for a peaceful resolution of the conflict in the former Bosnia-Herzegovina to fall through. The statement said that, if use was not made of that chance, there would unavoidably follow an escalation of conflicts with unforeseeable consequences.

Prime Minister Kontic said that the developments since June 10, when the Geneva ceasefire agreement went into effect, showed that not all sides in Bosnia-Herzegovina wanted a peaceful solution.

The creation of the Muslim-Croat federation in Bosnia-Herzegovina has increased the ambitions of the radical Muslim leadership to persevere in its choice of a military solution, Kontic said. He set out that the Muslim-Croat side was using the Geneva ceasefire agreement for open preparations for a large-scale military offensive, which he said was confirmed in reports of the U.N. Protection Force (UNPROFOR).

The Yugoslav Government said the UNPROFOR reports showed, among other things, that Muslim-Croat forces were supplying themselves with large quantities of most modern weapons and were not prevented in doing so.

The statement said the regrouping of Muslim-Croat forces, coupled with a steady escalation of their combat operations, aimed at provoking the resumption of the war, were a flagrant violation of the ceasefire agreement and could seriously undermine all efforts invested so far to achieve peace in Bosnia-Herzegovina.

The Yugoslav Government said that Muslim-Croat forces were of late launching strong offensive operations against Bosnian Serb positions, and also towns, practically on all lines separating the two sides, which it said resulted in numerous casualties among the civilian population and in material damages.

The statement said it was encouraging, nevertheless, that the Bosnian Serb forces were, for the time being, reacting with extreme restraint to the Muslim-Croat offensive operations and preventing the military operations from turning into a conflict on the largest possible scale.

The Yugoslav Government said it viewed as crucial the current phase of the negotiations, which it said should lead to a resolution of the crisis caused by the civil war in the former Bosnia-Herzegovina.

Prime Minister Kontic said it was the Yugoslav Government's position that the active participation of international factors—the United Nations, the European Union, the United States and Russia—in the quest of a lasting political solution, one acceptable to all sides in the Bosnian conflict, gave rise to hope that the tragic civil war would soon be brought to a halt and conditions would be created also for the solution of other major issues on the territory of the former Yugoslavia.

The Yugoslav Government expects that full use will be made of the currently favourable elements and it, itself, is trying to make a concrete contribution to that end.

The government said that Yugoslavia maintained that stable peace in Bosnia-Herzegovina was possible only through negotiations, and it called on the international community to put pressure on those who were violating the signed ceasefire agreement and demand that they immediately accept peace as the sole option.

The Yugoslav Government listed in the annex to the statement the ceasefire violations committed by the Muslim side since the agreement took effect.

The Yugoslav Government set out in the annex that UNPROFOR representatives had been informed about all the incidents, and that they, themselves, had been able to see in the field that Muslim troops were acting contrary to the ceasefire agreement. It said UNPROFOR representatives had promised representatives of the Bosnian Serb Army that they would inform their respective commands about everything.